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Polish church criticizes riot police

The Polish bishops have criticized the Polish Government's handling of violent demonstrations on Monday. They also said they expected substantial concessions from the state authorities on the revival of Solidarity, and the ending of martial law. They made it clear that the police handling of the demonstrations overshadowed the authorities' recent concessions. **Back page**

Axe man pelts siege police

A man armed with an axe who barricaded himself in a loft in a house in St Ann's, Nottingham, was pelting police last night. He pelted them with tiles thrown through a hole in the roof.

ETA murder A-plant chief

Opening war on Basques cooperating with Madrid, ETA gunmen murdered the chief engineer of a Bilbao nuclear plant on the day it was being signed over to regional authorities. The Cabinet went into emergency session. **Page 8**

Markets trade nervously

Financial markets reacted nervously yesterday to the news of British losses in the South Atlantic. The pound fell sharply against Continental currencies, but finished stronger against the dollar. The stock market made a recovery after early losses. **Page 17**

New rules on police taping

New rules covering tape recording of police interviews and wider powers to stop and search will be included in a Police Bill being prepared by the Government for introduction in the autumn. **Page 5**

Israeli bullets kill more

Israel's chief of staff defends the use by his troops of live ammunition against demonstrators in the occupied territories. Critics wonder why bullets fired at legs are killing so many. **Page 8**

Sporting rights

Local hunt supporters believe that South Glamorgan County Council could not enforce any ban on foxhounds as all rural land owned by the council is rented to farmers to whom sporting rights are assigned. **Page 6**

Opera stopped

The Royal Opera House, Covent Garden, has cancelled tomorrow's performance of Tchaikovsky's *Eugene Onegin* because of a wage dispute with members of the chorus. Refunds will be made to ticket holders.

Polling today

Voters go to the polls in 183 local authorities in England and Scotland today. Party issues are likely to be overshadowed by the Falklands crisis. **Page 6**

Namibia blow

Africa's front-line states reject as sterile the West's Namibia proposals and demand a Geneva-type conference under the UN. **Page 8**

Refugee rumpus

Factional fighting between Vietnam refugees in their Hongkong camp has forced 1,000 from the south to quit and squat in empty barracks. **Page 8**

Boycott century

Geoffrey Boycott scored 138 for Yorkshire against Northamptonshire on the opening day of the county cricket championship. It was the 126th first-class century of his career. **Page 23**

Leader page, 13
Letters: In defence, from Lord Hill-Norton, and the Duke of Buccleuch; diplomacy, from Professor Bernard Crick, and others.
Leading articles: The Falklands; Dock Labour Board scheme.
Features, page 12
Bernard Levin returns to the case of two persecuted Soviet miners; Ronald But on how the Falklands may affect today's council elections.
Texas: Henry Fairlie looks at this larger-than-life American state in a two-page Special Report.
Obituary, page 14
Lord Janner, Mr W O Haines.

Home News	5-6	Law Report	29
Overseas News	8	Letters	13
Appointments	14	Luric cartoon	8
Arts	15	Obituary	14
Books	9	Parliament	4
Business	17-20	Safe Room	6
Court	23-26	TV & Radio	29
Crossword	30	Theatre	29
Diary	12	Weather	30
Events	30	Wills	14
Features	12		

Pym keeps the door open on US-Peru ceasefire proposals

● The latest American-Peruvian proposals to end the Falklands crisis, containing suggestions for an early ceasefire and the prompt withdrawal of Argentine troops, were the most helpful basis for finding a settlement, Mr Francis Pym told the Commons yesterday. The Foreign Secretary said he continued to be in close touch with Mr Alexander Haig in Washington. ● The return to a mood of diplomacy after Tuesday's destruction of HMS Sheffield was echoed by Mr John Nott, who told MPs that Britain was planning no aggressive action against the Argentines over the next few days. ● The Ministry of Defence said it was aware of reports that the Argentine fleet, apart from two submarines, was outside the 200-mile exclusion zone heading back to port, but could not confirm them.

By Philip Webster, Political Correspondent

Mr Francis Pym, the Foreign Secretary, disclosed to the Commons yesterday that an early ceasefire, with a prompt Argentine withdrawal, was one of the vital ingredients of the revived American-Peruvian proposals for settling the Falklands crisis. Saying that he believed these proposals provided the most helpful basis for achieving a settlement, Mr Pym, who has sent a "constructive contribution" to Mr Haig, United States Secretary of State, late on Tuesday night, said he would be in touch with him again late last night. He left many MPs with the impression that he regards Mr Haig as being very much back in the negotiating business, and his emphasis that an early ceasefire was at the heart of the latest initiative was not lost on them.

Mr Pym pleaded the Opposition benches, and particularly Mr Denis Healey, the shadow Foreign Secretary, with what they regarded as his positive response to the ideas put forward by Senator Peres de Cuellar, the UN Secretary General, although Mr Pym stressed that he regarded the Haig proposals as offering the best hope of progress. He said there were many points of similarity between the secretary-general's thinking and the Haig-Peruvian plan, and that his ideas seemed certain to be reflected in the basis of any solution.

Mr Healey said he regarded that as much more forthcoming than anything the Government had said so far. He asked that the Government should take the initiative in responding to the UN ideas and not hide behind a possible refusal of the

Falklands crisis

- The search for peace at the UN and in Peru 2
- War of words in Argentina and Britain 2
- Fight puts strain on Bonn and Paris 2
- Loss of Sheffield: questions on defence and Portsmouth mourns 3
- Ronald Butt: the effect on council elections 12
- Leading article, letters 13

Argentine government to respond, as was the case with the earlier Haig proposals. "The Foreign Secretary confirmed that he would be responding to Senator Peres de Cuellar. It was explained in government quarters later that the response would probably be sent today.

The Government's cautious hopes of the Peruvian plan rest on that country's close relationship with Argentina. Mr Pym said that Mr Haig was in touch with Peru, which was a friend of Argentina and that might be a way of negotiating.

Throughout the exchanges, Mr Pym stressed his desire to reach a peaceful settlement and appeared to give no encouragement to those Conservative arguing for stepping up military action.

He told Mr Michael Nott, Conservative MP for Havering, Romford, who had suggested that most effective negotiating weapon was likely to be a military one, that he would infinitely prefer that the troops left the

islands under peaceful means than be driven out by force. When Mr Jonathan Aitken, Tory MP for Thanet, East, told him to be cautious about negotiating terms for a ceasefire until the Argentines had shown by their deeds they were withdrawing their troops, Mr Pym replied: "Yes, I am showing appropriate caution, but I will also show appropriate enthusiasm."

And MPs detected no enthusiasm from Mr Pym to a suggestion from the Tory benches that airfields on the Argentine mainland should be bombed. He said: "Naturally military considerations and aspects are being thought about in greater depth, and possible plans are being prepared. That is right because we have a task force in the South Atlantic." And he added: "Let us at the moment concentrate our minds on trying to achieve a peaceful settlement."

Mr Pym also slightly lifted the veil over the Government's long-term intentions towards the Falklands.

Asked by Dr David Owen, parliamentary leader of the Social Democratic Party, positively to welcome the concept of a United Nations trusteeship council, Mr Pym replied: "The Government has an open mind about what might be the ultimate solution. Most certainly, the United Nations trusteeship concept is one of those possibilities. It might in the end prove to be highly suitable."

Although it was stressed later that Mr Pym was referring to the idea as no more than an option at present, some MPs, notably Dr Owen, regarded his reply as significant.

Fresh proposals sent to Haig after full Cabinet meeting

By Julian Haviland, Political Editor

After a two-hour meeting of the inner Cabinet yesterday, followed by an emergency meeting of the full Cabinet, further British proposals were sent by Mr Francis Pym to Mr Alexander Haig, the American Secretary of State.

As before, ministers and officials would yesterday give no details of the original Peruvian proposals, which Argentina at first rejected; nor of Mr Haig's refinements to those proposals, which he and Mr Pym discussed in Washington last Saturday; nor of the British contribution passed to Mr Haig on Tuesday and the further ideas conveyed yesterday.

Government sources would not say how well the channel which appeared to have been opened between London and Buenos Aires via Lima and Washington was working.

But it was stated emphatically after the Cabinet meeting that the blockade of the Falklands was being maintained and would not be lifted until there was a commitment by Argentina to withdraw her forces.

The full Cabinet was convened after the inner group, with the Prime Minister in the chair, agreed that all their colleagues should be allowed the chance of a full reappraisal of the Government's military and diplomatic stance. In the event, the Cabinet spent most of their one hour and fifty minute session considering how their efforts to find a diplomatic solution could best be advanced.

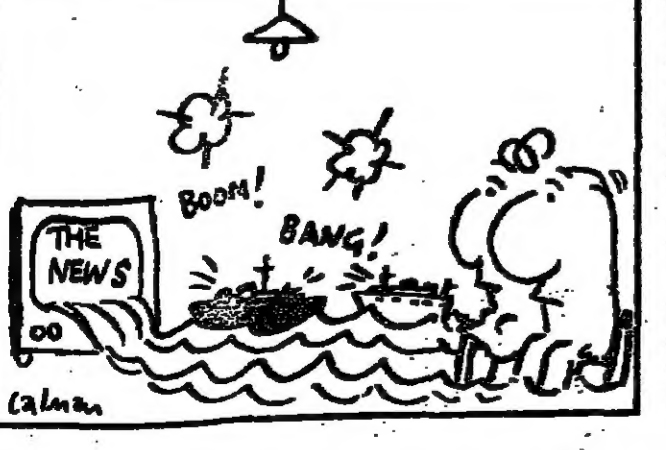
They agreed that worldwide support for Britain as the victim of aggression had been weakened by the fighting in the South Atlantic and

was likely to diminish further, and that that made the quest for a diplomatic solution (as Mr Pym later told the Commons) all the more urgent.

Ministers also agreed that Mr Pym should speak positively to the Commons about the Government's willingness to work for a ceasefire, but that that should be dependent on a commitment by the Argentines to withdraw her forces.

The Labour Shadow Cabinet, meeting at the same time, came to a similar conclusion and that they should sustain the Government, but press ministers to agree to a ceasefire provided Argentina would commit herself to withdrawal. No member of the Shadow Cabinet, argued against that premise.

The Opposition claimed last night to have detected a significant softening of the Government's position, which ministers, however, denied. In the Commons Mr Nott, Secretary of State for Defence, adopted a "wait and see" approach, saying that he would not agree to a ceasefire without being clear that "we had a process which would get the Argentines off the islands". Mr Healey responded with gratification, telling Mr Pym later that this was "an important distinction" from the demand that a ceasefire cannot take place until Argentine forces have left.



Junta delays announcement on Sheffield

From Christopher Thomas, Buenos Aires, May 5

The military junta tonight had still not officially announced that Argentina had sunk the British ship HMS Sheffield, although full accounts were published by Telam, the official news agency.

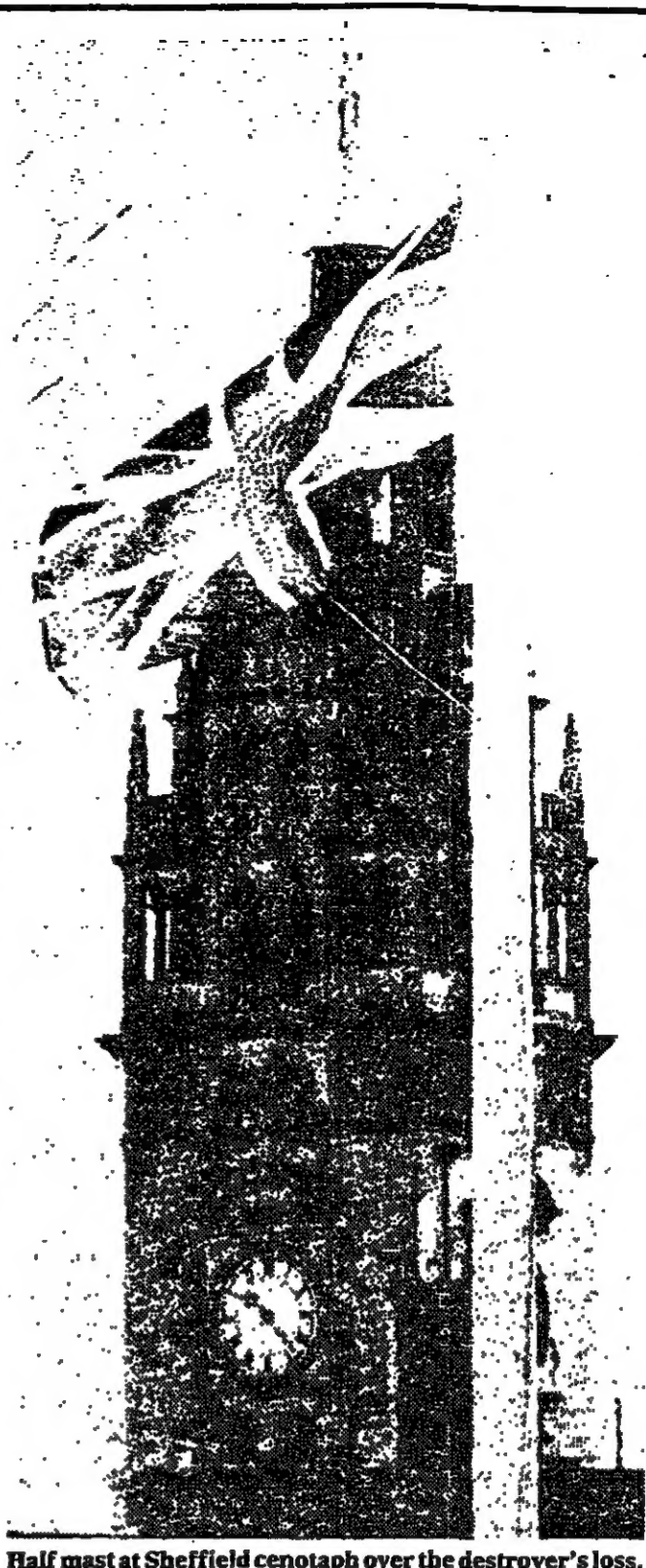
It appears that the pilot who fired the Exocet missile from a French-built Super Etendard aircraft turned back to base before his missile struck home. According to military spokesmen, he fired at an object that showed up as a small blip on radar, and it was not until the strike was announced in London that the Argentines were aware of what had happened.

man, said that two other Etendards were involved in the operation. They had been ordered to attack the British fleet, which was 60 miles south of the Falklands.

According to Clarin, the newspaper closest to the military, the missile was fired about 23 miles from the target. It said a Mirage also fired an unidentified missile at an object that showed up as a large blip on the radar screen, which could have been one of the carriers. According to the newspaper, Argentina has 12 Etendards, but reports reaching United States sources here say they have only five, which were delivered last year.

The war continues to inflict serious harm on the fragile economy, and the peso now stands at 14,000 to the dollar, compared with 10,000 before hostilities began. The Economy Ministry confirmed today that a new economic programme is expected to contain a series of new exchanges, financial and trade measures, possibly with a strict clampdown on imports of non-essential goods.

The first survivors from the General Belgrano arrived today in the southern town of Ushuaia aboard the rescue ship Gurruchaga (and the Chilean scientific vessel, Piloto Pardo, according to agencies). According to the latest official information, there were 750 survivors. It is believed to have had a crew



Half mast at Sheffield cenotaph over the destroyer's loss.

US tries desperately to halt fighting

From Nicholas Ashford, Washington, May 5

The United States was today engaged in what diplomatic sources described as "frantic activity" in an attempt to halt the fighting between Britain and Argentina over the Falkland Islands.

However, despite the numerous diplomatic initiatives which are now under way and renewed American pleas for a quick end to hostilities, there were growing fears in Washington that the undeclared war would become more intense in the wake of the sinking of the General Belgrano and the Sheffield.

Press speculation here that Mr Haig had proposed a 48-hour ceasefire was greeted with a firm "no comment" by State Department spokesmen. The British said they could not accept a ceasefire which left the Argentines in control of the islands.

But a State Department spokesman said that Washington would welcome "any forum or venue to bring the conflict to an end".

The renewed efforts to find a peaceful solution to the crisis began last night when Mr Alexander Haig, the Secretary of State, held a three-hour meeting with Sir Nicholas Henderson, the British Ambassador, to discuss an initial British response to a set of peace proposals put forward by President Belunde Terry of Peru last weekend.

The meeting, which was at Britain's request, caused Mr Haig to cancel abruptly a trip to New York, where he was due to give an after-dinner speech to the Irish Club. Mr Haig was at Andrews Air Force base outside Washington about to board an aircraft when he received telephone

call from the ambassador requesting urgent talks.

According to British sources, the British Government's initial reaction to the Peruvian proposals was sufficiently encouraging to make Mr Haig put forward a number of modifications of his own. These modifications have been sent to London for comment.

British diplomats strongly rejected suggestions that Britain is now more interested in a negotiated settlement after the loss of a destroyer and a Harrier jet off the Falklands. It was pointed out that talks on the Peruvian plan had begun well before these losses were announced. "It is certainly not a case of a bloodied nose causing us to sue for peace," a British diplomat remarked. "We always knew we would have to expect losses if fighting started."

The British have been gradually warming to the Peruvian proposals ever since they were transmitted to Mr Haig by President Belunde Terry during a telephone conversation on Sunday. The Argentines, on the other hand, have rejected them because, they maintain, they are essentially the same as those put forward by Mr Haig during his abortive mediation efforts. Their rejection was also prompted by the sinking of the Belgrano.

The British say that the seven-point Peruvian plan is not the same as the seven-point Haig plan, emphasizing that the Peruvian ideas consist largely of an expression of general principles rather than specifically-worded proposals.

Continued on back page, col 4

Destroyer still burning 12 hours after attack

From John Witherow, on board HMS Invincible

Survivors from the Sheffield, hit by an Argentine missile have been taken to several other ships in Royal Navy task force as the decision is taken to sink or try to salvage the crippled destroyer.

No figures are available yet on the number of casualties although it was believed the ship had a complement of about 270 men. Some injured are being dealt with by a large medical team aboard the Hermes, the flagship.

The 10-year-old destroyer was still burning more than 12 hours after the attack. Earlier reports that it had sunk were described as premature.

The missile entered the ship on the starboard side 15 feet above the waterline. Photo graphs show a hole about 10 feet in diameter

with black, oily smoke pouring from the vessel. Most of the damage was inside the ship as the Exocet missile exploded just after impact.

The Sheffield was the last sea-going command of Rear Admiral John "Sandy" Woodward, the Commander of the task force, before he took the job as director of Naval Plans at the Ministry of Defence about four years ago. She had close connections with the city of Sheffield and was known as "the Shiny Sheep" because of stainless steel fittings in the ship, placed there by local manufacturers.

The attack was more sophisticated than has been seen to date, and also indicated the Argentines had good intelligence about the position of the fleet.

The news of the attack was greeted with shock on board the Invincible. "The reality of all this is beginning to sink in," one officer said. Survivors from the ship are expected to be placed on other ships or sent home as soon as possible.

Queen 'deeply concerned'

Buckingham Palace said yesterday: "The Queen is following events in the South Atlantic very closely and is naturally deeply concerned and saddened by the tragic news of the loss of HMS Sheffield and the pilot of the Harrier jet."

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FALKLANDS CRISIS/2

The loss of HMS Sheffield

Direct hit raises questions on Navy's defence

By Henry Stanhope, Defence Correspondent

The comprehensive destruction of the destroyer Sheffield by a single missile is raising a number of embarrassing questions for Britain and for Nato about the shape of the fleet, the design of its ships and the weapons they carry.

In one sense Tuesday's disaster vindicates the complaint of Mr John Nott, Secretary of State for Defence, last year that too much is spent on weapon platforms for the armed forces and not enough on the weapons themselves.

This is not the first time that the 14 Type 42 destroyers in the Royal Navy have been surrounded by controversy. The 4,000-ton ships, which cost about £85m two years ago and more than £20m a year to operate, have long been criticized for being under-armed.

They were designed primarily to accommodate the Sea Dart area air defence missile and thus help to provide protection from enemy aircraft for task forces like the one now in the South Atlantic.

Sea Dart can also be used against other ships, which is just as well because the only other weapons on the Type 42 comprise a 4.5in gun, two 20mm cannon and a Lynx helicopter.

An article in the authoritative journal *Navy International* at the time of the Sheffield's acceptance by the fleet in the mid-1970s compared her mix of weapons favourably with that of the Soviet Krivak class ships whose size is comparable. It commented with what now turns out to have been sad

prescience: "...it would be scarcely wise to allow her out in dangerous waters alone". But in this case it would seem that she was not alone. Moreover the Sheffield was struck by a missile fired not from another ship but from one of the very aircraft against which the Sea Dart system was supposed to protect the task force.

The Super Etendard which launched the Exocet was probably operating out of one of Argentina's southern bases such as Rio Gallegos or Tierra del Fuego.

Its radius of action like that of all combat aircraft, depends upon its payload, speed and altitude, but with an Exocet under the starboard wing and a 1,100-litre external fuel tank strapped to the port wing it could probably manage 450 miles.

This should have been enough if the pilot had had another surveillance aircraft pinpointing his target for him first and guiding him straight to it. Argentina has also two Hercules tankers for in-flight refuelling, which would remain well behind the combat zone because of their vulnerability. But it is questionable whether the five Super Etendards in service with the Argentines are fitted for mid-air refuelling.

If the Sheffield was operating as a picket, standing off from the main task force comprising the Hermes and the Invincible, it would have presented the pilot with a clear target. He would have had to climb to identify it at long range, then would sink once more below the horizon disappearing from the

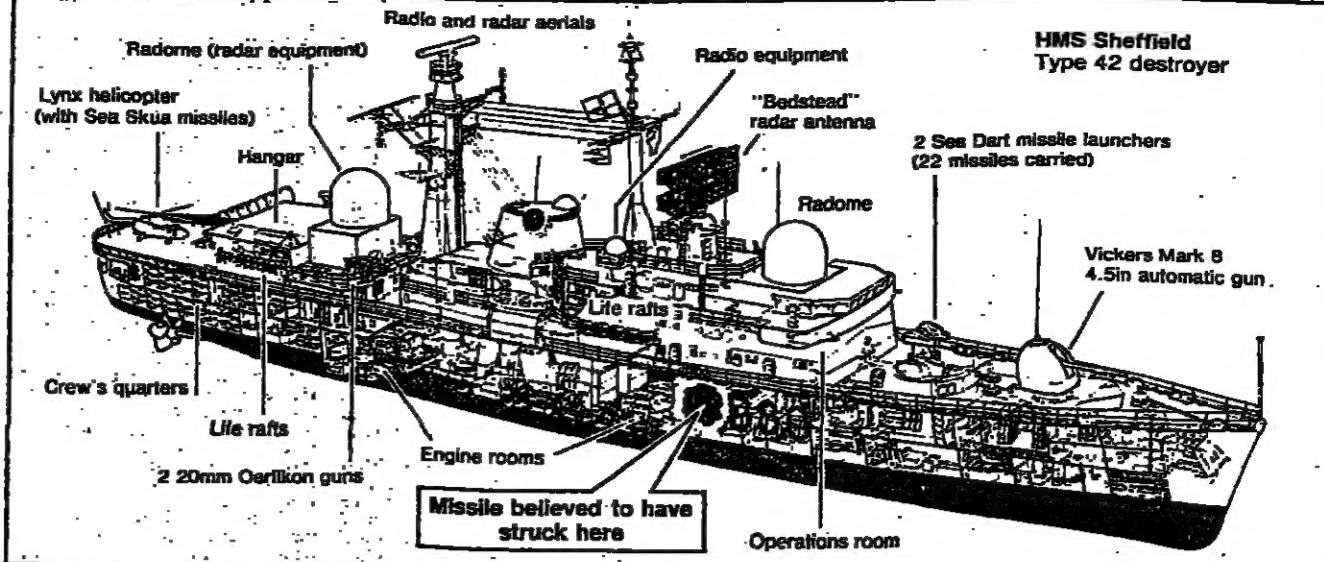


Diagram of HMS Sheffield Type 42 destroyer showing various components like radar, missile launchers, and gun positions.

radar screens on the Sheffield almost as quickly as he came. He would have fed the target information into the Exocet's computer before firing the missile and watching it begin its sea-skimming journey of 20 miles or more at a speed slightly below that of sound. In the last stage of its flight the Exocet's own homing radar would have taken over and guided it to the bustling heart of the destroyer.

Sea Dart has a good performance against aircraft at high and medium altitude, and a range far greater than the 25 miles published. But the aircraft would have been at altitude only briefly and the missile not at all.

The most important lesson for the Navy is the necessity of finding a place on all its ships for Sea Wolf, the lightning fast anti-missile so far installed only on two frigates with the task force, the new Type 22 ships Broadsword and Brilliant.

The unique British Aerospace Sea Wolf, so fast and accurate that it can split a shell in two in mid-flight, has so far taken up too much space for naval designers to find room for it on warships not specifically built with the system in mind.

But a lightweight system with a new radar being developed by Marconi, which recently won the contract

against strong competition from a Dutch company, is about to become available.

Plans to fit lightweight Sea Wolf to a wider variety of vessels were thrown in jeopardy by the naval cuts last year. But this disaster off the Falkland Islands has at least demonstrated the need for most, if not all, major warships to have anti-missile systems in addition to decoy and jamming counter-measures.

Yet another field for investigation during the coming months, however, is what happened after the Exocet struck. The Sheffield is fitted with all the latest anti-fire devices including sprinkler systems, fireproof doors and hatches and foam extinguishers. Her hull is made of steel not aluminium as reported elsewhere.

Yet the crew were forced to abandon ship because the high explosive missile caused a fire which was beyond the control of the destroyer's own fire-fighting teams and those from other ships.

An inquiry is understood to have already started among the task force following the loss of the Sheffield. Two other Type 42 destroyers are on hand and the Sea Dart system is also installed on the carrier Invincible. But a decision will have to be made on whether a replacement for the stricken Sheffield is needed.

Reinforcing the fleet

The loss of HMS Sheffield, whose main features are illustrated above, has spurred Tyne-side into "superhuman efforts" to speed up delivery of the Royal Navy's latest ship.

This will be the £200m anti-submarine aircraft carrier, HMS Illustrious (below, berthed at the Swan Hunter dock), sister ship to HMS Invincible, now the spearhead of the task force in the South Atlantic.

The 18,000-ton carrier

was not due to be handed over until September. Now every effort is being made to bring the date forward to June.

At the same time, preparations are almost complete for the launching ceremony on Saturday of HMS Beaver, a Type 22 frigate being built at Yarrow's Shipyard on the Clyde. The ship will be equipped with Exocet guided missiles, similar to the weapon that hit HMS Sheffield on Tuesday.

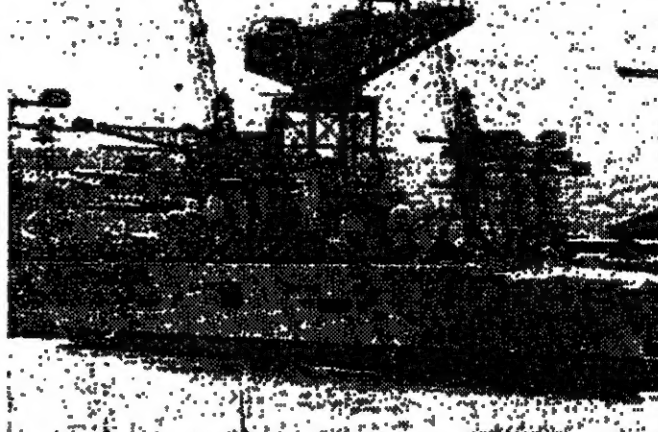


Image of HMS Illustrious, an anti-submarine aircraft carrier.

Admiral may be under threat

From Nicholas Ashford, Washington, May 5

Admiral Jorge Isaac Anaya, the commander of the Argentine Navy and member of the three-man ruling junta in Buenos Aires, may be "the first head to roll" as a result of the Falklands crisis, according to the Washington-based Council on Hemispheric Affairs.

The council, which is sponsored by American trade unions and professional and academic groups and is one of a number of specialist organizations fringing with Latin American affairs made its assessment before the successful Argentine attack on the Sheffield.

It said Admiral Anaya was responsible for the dispatch of a group of scrap metal workers to South Georgia in March 20. Their subsequent expulsion by the British provided the pretext for Argentina's invasion of the Falklands two weeks later.

The provocation, according to the council, was intended by Admiral Anaya unilaterally ordered several Argentine warships, including its only aircraft carrier, the twenty-fifth of May, to set sail on April 15 from Puerto Belgrano, without any prior consultation with other members of the armed forces joint chiefs of staff. Since then, the Argentine Navy has suffered severe losses.

The Argentine Army and Air Force have reluctantly been dragged by Admiral Anaya's actions into a conflict about which they have serious misgivings. General Basilio Lami Dozo, the chief of the Air Force, is said to be hesitant to commit his force to battle for fear of losing its aircraft.

They would be of crucial importance if Argentina went to war with Chile over the Beagle Channel dispute. The Air Force has spent tens of millions of dollars on new aircraft since the two countries nearly went to war in 1979. Admiral Anaya was the main instigator of the flare-up in the Beagle Channel dispute.

"The Argentine high command is in obvious and serious disarray because of Anaya's privatizing", the council said. "His maverick actions will be used by the high command to avoid taking direct responsibility for what is quickly developing into a major military and political disaster for Argentina."

The council says that divisiveness is now so pronounced within the armed forces that Argentina has no hope of staging an effective counter-offensive to British tactics.

Ottawa is accused of hypocrisy

From John Best, Ottawa, May 5

The Canadian government has been accused of hypocrisy in continuing to ship nuclear fuel bundles to Argentina in the Falkland Islands crisis. The accusation was one of several made to Mr Mark MacGurgan, the External Affairs Minister, at a lively meeting last night of the House of Commons standing committee on foreign affairs, which was dominated by the Falklands question.

Mr MacGurgan told Mr John Crosbie, the foreign affairs spokesman of the official Conservative opposition, that Canada has given strong moral support to Britain besides banning military exports to Argentina and allowing Britain the use of communications facilities on Canada's east coast. Britain's use of force in the hostilities had been proper and reasonable so far as he could determine.

Nevertheless he was "concerned" about the increasing loss of life in the Falklands conflict and had ordered Canadian diplomats at the United Nations to increase their efforts in support of a negotiated solution.

Mr MacGurgan rejected Mr Crosbie's demand that Canada halt the shipment of nuclear fuel. If Canada broke its contracts the Buenos Aires Government might feel free to use a nuclear power station being built in Argentina "in ways we would not approve", an apparent reference to the possibility of making nuclear bombs from the station's spent fuel.

Mr Robert Wenman, another prominent Conservative MP, attacked the Government from a different direction. While agreeing that Britain's position was morally and legally correct, he observed critically that several hundred people had now died protecting the rights of 1,800 Falklanders. Canada was a friend of Britain but Mr Wenman asked: "Don't you have an obligation to draw them back from the fight?" Mr MacGurgan insisted that Canada had taken "a responsible and honourable position".

Government pays first P & O bill

The Government has started to pay some of the bills from P & O for its requisitioned vessels - the liner Camilla and Uganda, and the cargo ships Norland and Elk. The direct bill for the use of the vessels, and their operating costs, is believed to be around £290,000 a day. Mr Richard Adams, P & O's managing director, said the company had been paid for the first month.

He said the company had submitted an application for compensation, but there has been no response from the Government. P & O want to know whether the Government will pay for loss of business on its cruise liners when they are returned to civilian use.

Jamming is stepped up

The Argentine authorities yesterday stepped up their jamming of BBC programmes in Spanish to Latin America with the introduction of a fresh type of interference (Kenneth Gossling writes). Jamming of three of the six BBC frequencies began on Monday with the sound of a fast and continuous telephone dialling tone. Yesterday this was augmented by a succession of Morse code type dots, but reports from Argentina suggest that the broadcasts can still be heard and understood.

Dakar stopover

Senegal has confirmed that British Broadcasting Corporation (BBC) programmes using Dakar as a stopover on the way to Ascension Island in the South Atlantic. Mr Djibo Ka the Information Minister said that the use of Dakar was "certainly" within the terms of agreements that existed between Britain and the Senegal.

Seamen say no

Seamen at Felixstowe, Suffolk, decided yesterday to heed their union's advice not to sail their vessels Nordic Ferry and Baltic Ferry to the Falklands Islands. Both vessels have been requisitioned by the Ministry of Defence.

Smoke from sea to clouds

From John Witherow on board HMS Invincible in the South Atlantic

In a report carried in the final edition of yesterday's *Times*, John Witherow, in a pooled dispatch, told of the destruction of the Sheffield:

The fleet was attacked by two Super Etendard jets carrying Exocet missiles. One missile went past the Sheffield but the second scored a direct hit on her. A massive pall of smoke appeared on the horizon as Sea King helicopters ferried casualties back to the flagship carrier HMS Hermes. The Sheffield, about 15 miles away, was completely blotted out by the smoke which formed a solid column from the sea to the clouds.

As fires raged in the Sheffield a call was put out for hoses and pumping equipment to be dropped by helicopter. A frigate went alongside to help tackle the fires but three hours later it was decided to give the order to abandon ship because of the danger of a possible explosion of the Sheffield's own Sea Dart missiles.

Two hours after the attack the Invincible's crew were told: "Sheffield is floating level and high in the water. There are fires still burning on board."

It was 14.15 GMT when the alarm sounded on the Invincible and the 1,000-man crew were told: "Air raid imminent from the South West."

Two aircraft at 60 miles and closing. Shortly afterwards came the report "Sheffield may have been hit." Five minutes later the intercom crackled: "Sheffield is some 15 to 20 miles to the South West. She has been hit by an air-launched Exocet missile. They are currently fighting the fire."

Fifteen minutes later, as frigates around Invincible put up an anti-missile screen, an officer told the crew: "We may be about to come under missile attack."

The crew all hit the deck and spread themselves on the floor as a means of minimizing personal injury. The carrier shook with vibration

As the news about the Sheffield came through, 22-year-old Tom Cunningham, from Liverpool, a Naffi counter assistant who signed on for active naval service only two days ago for the duration of hostilities, said: "My future brother-in-law is on the Sheffield. I was at his house only a few days before we left the United Kingdom. I can't believe this has happened. Sheffield was at Gibraltar when we sailed from Portsmouth."

Captain James "Sam" Salt, commander of HMS Sheffield, who comes from Petersfield, Hampshire.

as its engines were turned up to full speed as it moved this way and that through the water.

There were loud whooshes and explosions as Invincible's anti-missile screens were deployed. The sounds caused everyone to jump as they were just like the noise of an incoming rocket. One minute later the ship's crew were told: "The picture is somewhat confused. But there are almost certainly now no missiles in flight."

At that point a frigate launched a torpedo attack against a suspected enemy submarine beneath the task force. She reported loud underwater explosions and helicopters were called in to carry out sonar sweeps for submarines. From the Invincible could be seen a sea full of warships all manoeuvring at top speed in defensive formations.

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Captain James "Sam" Salt, commander of HMS Sheffield, who comes from Petersfield, Hampshire.

Portsmouth mourns victims

From David Hewson, Portsmouth

Portsmouth found itself faced with the recurrent fear of a naval city yesterday, the reminder that the darker side of glory is grief. The loss of the destroyer Sheffield was met with incomprehension, sadness and an impotent anger by both civilians and naval personnel. The destroyer was based at Portsmouth and had last visited it in November before sailing for the Indian Ocean.

Two British warships have been on permanent patrol off the Gulf of Oman since the start of the Iran-Iraq war. When the Falklands hostilities broke out, the Sheffield was on its way home to Britain and preparations were well advanced for a party for the crews' families on board at Portsmouth.

On Tuesday night the same families were in constant touch with the special switchboards of the Naval Families Service in Portsmouth which were set up to deal with inquiries from relatives after the news broke of the ship's loss.

A team of naval chaplains, officers and social workers who had been on 24 hour call for such emergencies for the last four weeks set off to meet the families of the dead seamen early yesterday.

Flags were at half mast throughout the city. Mr John Marshall, the leader of the City Council's ruling Con-

servative group, said that the mood was "sad but unshaken".

"It is unfortunately part of our history and part of our destiny to face this tragic happening. We can only show solidarity and support for the ships and men still there," he said.

A number of people had contacted the council about the incident. "They have been a bit grim-faced and tight-lipped but they don't want to feel that these lives have been lost in vain." Far from fearing further engagements, the people of Portsmouth may want them more than the rest of the country, Mr Marshall said.

"I rather question whether people round here are very sympathetic about the United Nations. The media seemed extraordinarily concerned about the Belgrano, almost as if the BBC was trying to be impartial. That isn't the way we look at it," Mr Marshall said.

"There was a remarkable expression of patriotism when the two aircraft carriers left here. Tens of thousands of people saluted them. I think there is now a kind of gut reaction which says that it is time we should stop being pushed around."

Mr Marshall said that he was in Portsmouth during the last War when the Hood,

the Prince of Wales and the Repulse were lost.

"I suppose during the war you accepted it and Portsmouth itself had suffered terribly. I think this has been something of a shock after so long," he said.

A memorial service will be held for the dead of the Sheffield though probably not until after the Falklands crisis is settled.

Sheffield: As flags were flying at half-mast throughout the city, the City Council passed a formal resolution yesterday urging the Prime Minister to take every possible step to end the conflict in the South Atlantic and begin talks at the United Nations to bring about a ceasefire. Councillors also resolved to do all in their power to help the bereaved and injured resulting from the missile attack on the destroyer Sheffield.

"There isn't anyone in Sheffield who is not absolutely stunned by the loss," Mrs Enid Hattersley, the Lord Mayor said. "We had a very close relationship with the ship and her crew."

A message of sympathy is expected to go from the city to the Royal Navy; plans for a commemorative service may be made later. Mrs Hattersley recently invited all the crew and officers of the Sheffield for a civic reception at the town hall.

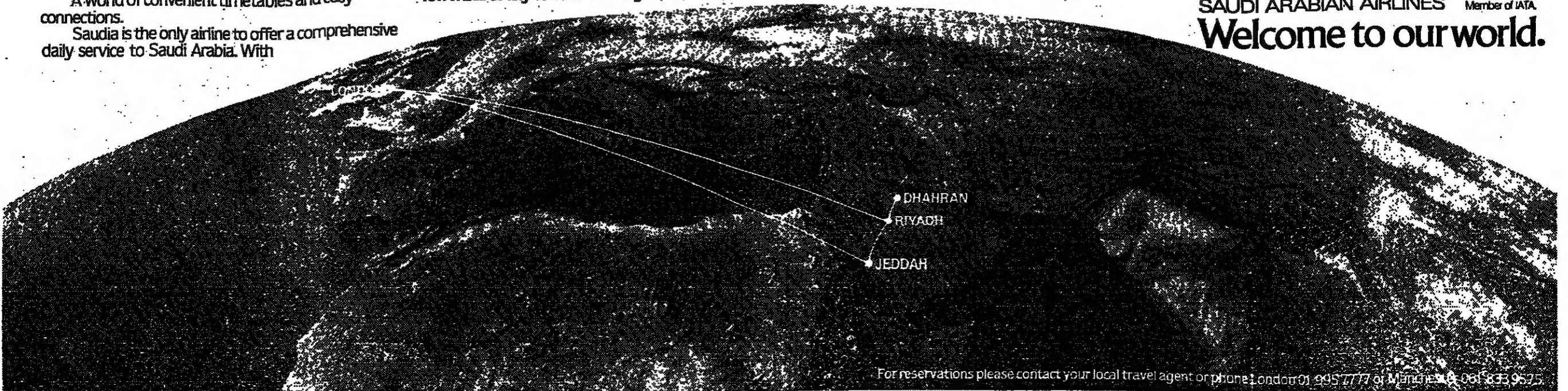
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Haig proposals still best way forward

FALKLANDS

An early ceasefire is a vital ingredient of the diplomatic ideas for solving the Falkland crisis on which the British Government and Mr Alexander Haig, the American Secretary of State, are working. Mr Francis Pym, Secretary of State for Foreign and Commonwealth Affairs, said in a statement in the Commons.

The Government was sparing no efforts in the search for an acceptable solution in line with the principles he had stated on several occasions.

Although it is we who have been the victims of aggression (he said) it is also we who are working tirelessly and constructively for a peaceful solution.

Mr Pym said: The military losses which have now occurred on both sides in this unhappy conflict emphasize all the more the urgent need to find a diplomatic solution.

The House will wish to know that since my return from the United States on Monday I have remained in the closest possible touch with Mr Haig.

As I reported to the House yesterday, we are working very actively on ideas put to us by Mr Haig, including some advanced by the President in his statement.

Yesterday afternoon, after my statement, I sent a constructive contribution of our own to Mr Haig. He is taking this fully into account. I shall be in touch with him again later today.

I want to tell the House that a vital ingredient of the ideas on which we are working is an early ceasefire and the prompt withdrawal of Argentine forces. I can assure the House that we are sparing no efforts in the search for an acceptable solution in line with the principles which we have stated on several occasions.

The points which were put to me in New York by the Secretary-General of the United Nations are also receiving my very careful attention. There have been in touch with Mr Perez de Cuellar about this since my return from New York and will continue to keep in close contact with him.

There are many points of similarity between the Secretary-General's thinking and the ideas we are pursuing with Mr Haig. Indeed, Mr Perez de Cuellar's helpful ideas seem certain to be reflected in the basis for a solution which we may be able to achieve.

I can assure the House that any obstructionism there may be will not come from our side. Although it is we who have been the victims of aggression, it is also we who are working tirelessly and constructively for a peaceful solution. (Cheers.)

Mr Denis Healey, deputy leader of the Opposition and spokesman on foreign and Commonwealth affairs, said: We all feel that if military escalation continues in the way it has over the past few days, more lives could be lost, both Argentine and British, than there are inhabitants of the Falkland Islands. It underlines the paramount necessity of achieving a diplomatic solution.

Mr Pym confirms reports that Mr Haig has suggested a two-day ceasefire so that diplomatic possibilities can be further explored, and if that is the case, what response will the British Government give?

I particularly welcomed what he said about the United Nations Secretary-General, which was a good deal more forthcoming than what he said yesterday which in turn was more forthcoming than what he said last Thursday.

I see what the Secretary-General is reported in *The Times* today as saying that the suspension of the peace initiative by Mr Haig has created a diplomatic vacuum which only the United Nations can fill.

As he will know, that has been the view of the Opposition for some time.

As I understand it, the Argentine Government has already agreed to accept the good offices of the United Nations. I appeal to Mr Pym to agree that the British Government should do the same. I think that any doubts it might have had at one time must have been removed by the Secretary-General's statement yesterday that he insists on the full implementation of resolution 502 which requires Argentine forces to leave the Falkland Islands.

I was particularly glad to hear Mr Nott endorse words this morning, that the British depend on agreement on negotiations.

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I was particularly glad to hear Mr Nott endorse words this morning, that the British depend on agreement on negotiations.

ing processes which will get Argentine forces off the islands. That is an important distinction from the demand that a ceasefire cannot take place until Argentine forces have left.

Mr Pym: I thank him for what he said at the beginning and recognize that we share a desire to achieve a peaceful settlement if it can be done.

About the two-day ceasefire, in connection with any negotiated settlement which involves withdrawal, arrangement for a ceasefire is an inevitable part and is always has been part of the discussion.

It is helpful that I am in close touch with the UN Secretary-General. He has offered his good offices to the Argentine and the United Kingdom and I have responded in that sense to him.

We have shared ideas. The ideas he sent recently I am responding to. There has been no suspension of the peace initiative by Mr Haig. Mr Healey perhaps implied that Mr Haig's efforts had come to an end. That is not so. It is clear that they began a new phase when the Argentine rejected the proposals put forward earlier. It is helpful that his efforts are continuing.

I do not agree that only the United Nations can fill the vacuum. I am not so worried about how it is filled, so long as it is.

In my opinion, the Haig efforts are the most helpful basis for achieving a settlement but I do not exclude anything else and certainly not the United Nations.

Mr Healey: It has been widely understood that the Secretary-General has put various proposals to the British and Argentine Governments for a substantive solution to the crisis and that the British Government and the Argentine Government to respond to his proposals today.

Can Mr Pym confirm those reports and inform the House that the British Government will take the initiative in responding and not hide behind a possible refusal of the Argentine Government to respond, as was the case with the Haig proposals earlier?

Mr Pym: There is no question of hiding behind anything. I have been in touch with the Secretary-General and responding on the outlines he has been speaking about, but I am of the view that the British Government is more likely to lead to a way forward.

Mr Healey: Have proposals been made? I do not blame him for not disclosing them, as this is a matter not coming from our side under diplomatic privacy, but if the proposals have been made we would wish a positive response. Could it be withheld?

Mr Pym: No formal proposals have been put to me in that sense, they were ideas. He is getting a response from me: what is happening behind the scenes I do not know. I am in close touch and that seems the most helpful reply and most positive position in which I can be.

Mr Denis Healey (West Stirlingshire, Lab): How many more lives have to be lost before the Government fully realizes there can be no purely military solution to this crisis? If the Government is seriously intent on a long-term peaceful solution why does it not comply with the suggestion of the Secretary-General to act as mediator?

The situation is in danger of escalating into a full-scale blood bath where no one will win and no one will find itself increasingly isolated.

Mr Pym: I would like an immediate ceasefire and withdrawal which the Argentine is under an obligation to do under resolution 502. At the moment the Argentine shows no sign of doing so, indeed entirely to the contrary.

I am searching for this solution notwithstanding the fact that we are the victims and the country that has suffered an act of aggression when the Falkland Islands was invaded. There does not seem to be a desire on the other side, or very little desire that has been removed by the Secretary-General's statement yesterday that he insists on the full implementation of resolution 502 which requires Argentine forces to leave the Falkland Islands.

Has the worsening weather in the South Atlantic had an effect on the attempt of an invasion of the Falkland Islands by prolonging the crisis?

Mr Healey: The factors Mr Healey mentions are obviously most relevant to any decision we shall take.

Sir Frederick Bennett (Torbay, C): It is relevant in the context of events in the Falklands that immediately after the invasion the Government issued a statement which was very articulate demands for gaining Belize.

I ask not so much if Mr Onslow is prepared to give a date or not but that, if British troops do stay there, there will be no lack of universal acceptance by the House of the Government's determination to make sure that they do not get let down at the last moment.

Mr Onslow: We have no intention to let Belize down and we are watching closely what is being said by the new regime in Guatemala.

Mr Healey: I speak for many in both sides of the House. Many of us feel the Falklands crisis arose because the Government gave a false signal to the Argentine Government. Unless Mr Onslow is able to give a specific answer to my specific question he is in danger of giving another false signal, so I appeal to him again to answer.

There was laughter when Mr Nicholas Winterton (Macclesfield, C) called out: close that brief.

Mr Onslow: Who closed his Red folder, replied: We have no intention to let Belize down and we are watching closely what is being said by the new regime in Guatemala.

Mr Patrick Cormack (South West, Staffordshire, C): The only answer the House needs is a simple one. The word is "Yes". (Cheers.)

Mr Onslow: I am well aware of the mood of the House. I do not know why the House does not understand me. (Some laughter and interruptions.)

ing negotiations for withdrawal? In these circumstances the most effective negotiating weapon available to us is likely to prove to be a military weapon used in the legitimate exercise of force.

Mr Pym: I note carefully what he has said, but I would infinitely prefer that these troops leave the islands under peaceful means rather than be driven out by force and if anyone can achieve that everyone would be relieved.

Mr Robert Croy (Keighly, Lab): Would he confirm that resolution 502 does not give carte blanche for military action by the Government but calls for a cessation of hostilities and a negotiated peaceful resolution of the dispute?

Does not the Government recognise the escalation of the military activity could result in the deaths of the Falkland Islanders — the very people we are claiming we are seeking to defend?

Does he not realise that by military action the Government is seen to be less and less willing to find a diplomatic settlement and more and more for a military settlement?

Mr Pym: The resolution also calls for withdrawal which he did not mention. I am thinking of the islanders and they are suffering at the moment under the heel of the invader whom they did not want and did not invite and which is intent on imposing on them a way of life and government they did not want.

It is in their defence we have taken the steps we have. They are at the moment suffering under an invading country and there are just too many invading countries in the world at the present time. We have that very much in mind.

Mr Jonathan Aitken (Thames Valley, C): There remains a formidable problem in negotiating with the Argentine Junta and its leaders. Have they themselves to speak with divided and contradictory and often incoherent voices?

Will he be appropriately cautious about negotiating terms for a ceasefire or anything like it until they have shown by their deeds that they are withdrawing their troops?

Mr Pym: Yes, I am showing appropriate caution. I will also show appropriate enthusiasm. It is difficult to negotiate with the Argentine Junta and at present we are constructing a government is such that even proposals by the President can be overthrown, and sometimes in the middle of the night.

Mr David Trippier (Rossendale, C): Is it correct to assume that the formal negotiations by Mr Haig are inter-linked with those pursued by Pym?

Mr Pym: The proposals by Mr Haig came about a week or 10 days ago and turned down by Argentina are over. Since then a number of governments have produced ideas and at present we are working on proposals which are a mixture of those of the United States and those from the President of Peru.

Mr David Owen (Plymouth, Devonport, SDP): We fully support his intention of linking any early ceasefire with the withdrawal of Argentine forces and no doubt the withdrawal of British forces from the South Atlantic as well.

Is there any possibility of the Peruvian Government actually putting down proposals rather than the Secretary-General's Council debate? Many people expect a clearer indication from the British Government of its position on this matter. Will he positively welcome the concept of a trusteeship council?

Mr Pym: There were some proposals that originated in Peru completely and these have been absorbed within other negotiations. I hope out of them will come proposals that will have a chance of success. Mr Haig is in touch with Peru and working in that way and through them as they are friendly with the Argentine and this may be a good way to negotiate with the Argentine.

In the long term the Government has borne in mind about anything that might be a solution and the trusteeship concept is one of these ideas. We are endeavouring to be a highly satisfactory one. I do not know. It is certainly a concept which can be considered.

Mr Ian Lloyd (Havant and Waterlootown, C): While the House and the country obviously wish should be taken into full consideration. The British forces in Belize cost a mere £4.4m. They are wanted by the Belize authorities to protect their interests. This should be pursued with vigour.

Will he give an assurance that they will stay as long as necessary?

Mr Onslow: The British garrison remains in Belize. No decision has been taken on a date for its withdrawal.

We hope the new government in Guatemala will in due course open discussions with Belize on the dispute to try to get a peaceful solution. But so far the new government has shown no disposition to do so.

There are no clear indications as to how the new junta will approach the territorial dispute with Belize.

In a later exchange, Sir Bernard Braine (South East Essex, C) said: While agreeing that there should be a tightening of controls, if not a ban, on the export of arms to authoritarian regimes, particularly those with

threatened neighbours, will the minister give the House the assurance it requires, that if a country is threatened by a country we shall stand by them?

Mr Douglas Hurd, Minister of State for Foreign and Commonwealth Affairs, will have heard the comprehensive answer already given. (Laughter and protests.)

Later during exchanges on the Falkland Islands, Mr Healey asked the Foreign Secretary: May I ask a question which many of us found unsatisfactorily answered by Mr Onslow earlier. He was asked by MPs on both sides to give a firm assurance the British forces now committed to the defence of Belize will not be withdrawn until the threat from outside is seen to be removed?

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Nott appeals to media to respect privacy of relatives

TASK FORCE

New rules on tape recording in Police Bill

By Peter Evans, Home Affairs Correspondent

New rules covering tape recording of police interviews and wider powers to stop and search will be included in a Police Bill being prepared by the Government for introduction in the Autumn.

For the first time since the police were formed, the Bill is expected to introduce codes governing every aspect of the relationship between the police and people who might come into contact with them in a criminal matter.

Greater independent oversight of the handling of complaints against the police will be an important proposal in the Bill. But there is likely to be no provision to give statutory backing to consultations between police and the community, as Lord Scarman wants.

His plea last weekend for his recommendations, made in the report on the Brixton riots, to be introduced as a package is unlikely to be needed.

Ministers are to decide on the mix of proposals in the Bill this month so they can be drawn up for inclusion in the Queen's Speech in the autumn.

The Bill will broadly endorse the main thrust of proposals 18 months ago by the Royal Commission on Criminal Procedure, which was the first comprehensive review of its kind for a century.

The Government has accepted the principle of tape recording evidence given to the police during interviews, but has been waiting to see the outcome of a limited experiment in Scotland, which has now been extended to Glasgow and Aberdeen.

What is in the Bill will depend upon experience there. Ministers say there is so far no general indication that the principle of tape recording of police questioning is proving impracticable. The royal commission recommended its gradual introduction, to be used in indictable cases for the making and reading back of the summary of interview of a written statement.

The Bill is expected to go along with the commission's recommendations that powers to stop and search persons on reasonable suspicion of being in possession

of stolen goods or prohibited articles like firearms or drugs should be available through out England and Wales. Searching of vehicles would be on the same footing.

The commission also recommended that the stopping of a person or vehicle should always be recorded with reasons given for the action and copies available for the person stopped. The principle is likely to be adopted in the Bill.

One curious gap in the present law is that there is no provision for police to obtain a warrant to search a house for the body of a murder victim. The Bill will make one.

Wider powers for the police will be balanced in the Bill by safeguards to protect suspects in detention and under interrogation. The basis of the Bill will be that there should be no duty on a suspect to answer questions and no modification of the right of silence.

Judges' Rules and the present administrative directions to the police will be replaced by legislation. Ministers are considering how far to go in excluding evidence obtained in breach of the new code of practice for regulating interviews, which would replace judges' Rules. Ministers think an exclusionary rule should be kept.

The second part of the Bill is likely to contain proposals for an independent assessor to be appointed as an added check on the investigation of complaints against the police. Home Office thinking is that there is not enough public concern to warrant a completely independent investigation system, but will take into account the views of the Home Affairs Select Committee, which finished taking evidence on the subject yesterday and plans to report at about the end of the month.

If, as expected, an assessor is recommended, deputies appointed in the provinces could help to provide closer liaison with local police authorities and the Inspectorate of Constabulary to allow greater oversight of police work.

The most likely candidate for the job of assessor would be Sir Cyril Phillips, who chaired the Royal Commission and is now chairman of the Police Complaints Board.

Lawyers press for change on judges

By Frances Gibb

The Law Society is pressing the Government to remove the present block on circuit judges who were originally solicitors being appointed to sit as High Court judges. At present only former barristers can be appointed.

It is intended to put down an amendment to the Administration of Justice Bill which shortly starts its passage through the Commons; the second time in the past 18 months that the society has tried to change the law on this point.

Mr Graham Lee, secretary, professional and public relations at the Law Society, said: "We are not saying solicitors should be High Court judges. We are saying that circuit judges should be entitled to be High Court judges, whether they have been solicitors or not."

"Once someone is appointed a circuit judge, he or she is technically neither a barrister or solicitor, so why make the distinction?"

Mr David Edwards, another official at the Law Society, said it was illogical that circuit judges could be appointed to sit as High Court judges, if they were good enough, but not if they had been solicitors.

The Law Society's last attempt to change the law was during the passage of the Supreme Court Bill through the Lords. The amendment was opposed by the Lord Chancellor, Lord Hailsham of St Marylebone.

An official from the Solicitor General's office indicated yesterday that the Government's position remained unchanged, and therefore the Law Society will depend for the success of its amendment on the degree of back-bench support it can muster.

Opposing the amendment proposed to the Supreme Court Bill, in March 1981, Lord Hailsham said practice in the High Court, depended on knowledge of the complex High Court practice. "I cannot see the smallest possibility of appointing to the High Court bench anybody who had not got, not 10, but probably more like 20 or 25 years experience of High Court practice, both pleading and advocacy, and in the present situation that means members of the Bar."

If a solicitor felt his role was in advocacy he should follow the path taken by Lord Wilgery, the former Lord Chief Justice, and change over to the Bar, he said.

Police in Toxteth riot case cleared

From Arthur Osman
Mold

Two Merseyside police officers will be back on duty today after being cleared yesterday of the manslaughter of a partially disabled man during last summer's Toxteth riots.

A jury at Mold Crown Court found Sergeant Keith Wilkinson, aged 34, of Buttermere Close, Maghull, not guilty on the direction of the judge before any defence evidence was called. Constable James Keenan, aged 30, of Grasmere Avenue, Prescot, was found not guilty on an unanimous verdict. It was the ninth day of the trial.

In a statement read by Mr Kevin Doolley, a Liverpool solicitor, after they had left the court, both officers expressed their condolences to the dead man's family "and their relief that they have been vindicated by the jury of any criminal responsibility". They said they would "now like to return to the privacy of their families and are looking forward to returning to their normal duties."

Mr David Moore, aged 23, of Wavertree, Liverpool, a partially disabled man was hit by a police van driven by Constable Keenan. The police support unit in the vehicle was commanded by Sergeant Wilkinson.

Solicitors for the dead man's family said later that they would be making a civil claim for damages against the police.

The court had been told that the van had been driven over wasteland in Toxteth on a night of violence to disperse rioters throwing petrol bombs and missiles at a group of unprotected police officers.

After two days of submissions by Mr George Carman, QC for Constable Keenan and Mr John Hazan, QC for Sergeant Wilkinson, that the case should be



Sergeant Keith Wilkinson (left) and Police Constable James Keenan leaving Mold Crown court yesterday after they had been cleared of the manslaughter of Mr David Moore.

withdrawn from the jury, the judge ruled yesterday that there was no evidence against Sergeant Wilkinson that he had committed the offence. The judge said the sergeant had not controlled or participated in the driving.

Before the jury was directed to return a not guilty verdict against the sergeant, the judge said he had not taken the same course in Constable Keenan's case because the weight of evidence relating to him was a matter for the jury and not himself. There had been conflict between witnesses.

The judge told them: "If at any stage you desire to say that the defendant Keenan is not guilty you are entitled to

say so. Manslaughter cannot be proved unless Keenan showed such disregard for life and safety as to amount to criminal conduct."

"This requires proof of a very high degree of negligence going beyond carelessness and dangerous driving".

In the case of a police officer beginning his manoeuvre for the prevention of crime he had a measure of statutory protection: dispersing rioters carried an element of risk. The crown had to show that Constable Keenan went outside a lawful operation.

The jury was entitled to look at all circumstances and the judge continued: "May David Moore have been a

rioter or associated with rioters? If so what is the duty of care of a driver carrying out lawful manoeuvre of dispersing rioters? Has the crown proved that Keenan went beyond the protection of the Act, that what he did was unreasonable and not necessary in the prevention of crime?"

After a 30 minutes adjournment the jury returned with a not guilty verdict and judge and counsel paid tribute to the "enormous thoroughness" of the investigation. Police interviewed 1,400 people including 1,200 police officers and 231 officers spent six weeks in Liverpool on, that the judge called, a difficult and important case.

New GLC post to help women

The Greater London Council is seeking applicants for the newly-created £17,000-a-year post of women's opportunities adviser (David Walker writes). It is believed to be the first such job offered by any employer.

The job is the latest of a number of senior and well-paid posts announced by the Labour administration. The official will be expected to take "significant new initiatives aimed at eradicating unfair discrimination in employment".

At the annual meeting of the Labour group of councillors last month it was decided to create a women's committee, which would review GLC jobs to find out if enough women were employed at various grades. Its chairman or "chair", in GLC parlance, is to be Miss Valerie Wise, a noted left winger.

'Sun' journalists get 9.8pc rise

Journalists at The Sun who had been in mandatory union meetings for the past week, yesterday returned to normal working after agreeing a pay and conditions package worth 9.8 per cent. The deal includes a 5 per cent increase in salaries from April 1, a £500 productivity payment and a payment of £310 plus £13 as partial consolidation of a media allowance. There are improvements to holiday and other benefits. The new minimum salary is increased to £14,600, according to the National Union of Journalists.

Railway death

Franck Piron, aged 14, a French schoolboy was killed by a train at Wimbledon, south London, when he tried to walk home along a railway line, thinking he had missed the last train. An inquest at Westminster yesterday recorded a verdict of accidental death.

Bishop's miles

The Bishop of Hereford, the Right Rev John Eastaugh, aged 62, set off yesterday on a 200-mile pilgrimage on foot through his diocese to mark the 700th anniversary of the death of St Thomas Cantilupe.

Teachers' 6 pc

Teachers in Scotland were yesterday awarded a 6 per cent increase, backdated to April, by the Advisory, Conciliation and Arbitration Service.

Cheap TV licences may break rules

By Kenneth Gosling

Local authorities operating cheap television licence schemes for pensioners were given a warning yesterday that they could be flouting the regulations governing that concession, which is enjoyed by an estimated 480,000 pensioners.

The warning comes in the wake of a letter sent last week to 8,000 South Tyneside pensioners who bought 5p television licences, through a misinterpretation of the law by the local borough council. The National Television Licence Records Office, which sent the letter, said yesterday: "As a result of this we will be looking at other authorities."

A spokesman said: "The original idea was to cover institutionalised accommodation. On South Tyneside, the people who benefited were not living in accommodation specially provided for old people."

It was also being claimed yesterday that some local election candidates were promising concessionary licences without fully understanding the regulations.

It was in 1963 that Mr John Stonehouse, the postmaster-general, introduced a dual

system for licensing television sets used by old people. If they had their own private set in a room in an old people's home or in housing provided by a local authority under the supervision of an area warden, the fee was only 5p, then one shilling. (In 1969 a colour licence cost £11).

Subsequent attempts by some authorities to extend the scheme have run into trouble. The records office said some tried to evade the regulations by appointing young people to visit old people in their homes four times a year. They regarded

that as qualifying them as living in "sheltered" accommodation, which it did not.

The BBC estimates a revenue loss to them on South Tyneside of £600,000. Under the Wireless Telegraphy (Broadcasting Licence Charges and Exemption) Regulations, 1970, the definition of an old people's home includes "a group of dwellings provided under Part V of the Housing Act 1957, specially for retired persons of pensionable age in association with other accommodation or facilities intended for the common use of all the occupants".



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BMA backs call to reduce lead pollution

By Our Medical Correspondent

A report on lead pollution which says it is scientifically impossible to set a level at which lead is harmful to individuals was unanimously approved by the council of the British Medical Association (BMA) yesterday.

The report, by the BMA's science and education board, will lend considerable support to the campaign to reduce lead in petrol when it is submitted to the Royal Commission of Environmental Pollution.

The BMA now accepts that studies are showing mental impairment in children occurring at lead levels lower than previously thought harmful and emphasizes that these reports should not be ignored.

The new report says that as there is a high degree of individual susceptibility to damage by lead there is a continuum of harm.

The BMA recommends that lead in the environment should be reduced and that in particular urgent measures should be taken to reduce the amount from sources which might affect women of reproductive age, infants and children.

The scientific board has quoted in the report from the preliminary findings of an experiment in Turin, commissioned by the EEC and a United States Government agency. By using lead with a distinctive isotope in petrol, it has been possible to show that a third of the blood lead level derives from petrol.

After the meeting a BMA spokesman said: "Lead is a biological poison. If the opportunity arises to reduce the concentration by a third the conclusion about what should be done should be obvious to everybody; particularly as it is an accumulative poison, which is only very slowly rid from the body."

"It has a half-life measured in a considerable number of years so that by the time we reach adult life it is already too late to excrete all the lead accumulated in childhood."

Hospital appeal
The overcrowded and unsafe working conditions in which research is being carried out at St Bartholomew's Hospital in London has prompted the hospital to launch an urgent public appeal for money (Felicity Jones writes).

The patient-orientated research work, which includes investigation into the

cause and treatment of childhood and adult cancers, baby deaths from premature delivery, diabetes and occupational lung diseases, has for some time been at risk due to the severe shortage of space.

Doctors claim that they are working in appalling conditions in corridors, huts and converted laboratories, which threaten the work with the 25,000 patients whom they see each year.

The hospital has raised already the £3m from its trustees and industry needed to house the 18 clinical departments. But more money is needed to convert and equip the centre, £500,000 of which it hopes to raise immediately from the present appeal.

Under threat is the research into the treatment of cancer patients with myeloblastic leukaemia. The department has boosted the potential survival rate of patients with this disease from 5 to 50 per cent.

Shared training

A working party, has recommended that some of the training of nurses and social workers who provide care for the mentally handicapped should be shared. It has not, as was hoped in some quarters, come out in favour of a single form of training.

The working party, composed of representatives from the three United Kingdom nursing councils and the Central Council for Education and Training in Social Work, has agreed a plan of action intended to form the basis for cooperation and shared training. It is proposed that students for the registration as a nurse for mentally handicapped people (RNMS), and the Certificate in Social Service (CSS) would join together for theoretical and practical training where the position of training centres made it feasible.

In cooperation in training, the working group says: "By training together the part of their courses, students will cultivate the mutual respect and understanding necessary for closer cooperation between health and social services in promoting improved services for mentally handicapped people."

A completely new form of combined training, however, has been ruled out. The working group saw this as a threat to the identity of the two professions.

Legal win for Gilbert O'Sullivan

Gilbert O'Sullivan the pop singer won his case in the High Court yesterday for a fair share of the millions of pounds made by his records. He had been exploited by Mr Gordon Mills, his former manager, Mr Justice Mansfield said. He awarded Mr O'Sullivan copyright of his songs and the master tapes of his records, together with costs unofficially estimated at £100,000.

Between 1970 and 1978, five Gilbert O'Sullivan single and seven long-playing records grossed an estimated £14.5m, from which Mr O'Sullivan received only about £500,000 before tax.

The judge set aside agreements made between Mr O'Sullivan and Mr Mills and his company, Management Agency and Music Ltd, as they were "an unreasonable restraint of trade".

Changes in seats proposed

The Cardiff parliamentary constituency held by Mr James Callaghan, the former Prime Minister, will disappear if recommendations published by the Boundary Commission for Wales today are accepted.

The Cardiff seats including those held by Mr Callaghan and Mr George Thomas the Speaker of the House of Commons, along with Barry and Pontypridd would be replaced by four new Cardiff seats and a county constituency covering the western part of South Glamorgan.

Embassy hearing

The owners of a building at Princes Gate, South Kensington, London, formerly occupied by the Iranian embassy were due to appear before magistrates yesterday because of their refusal to repair the structure, but they did not attend and the hearing was adjourned until May 19 at Bow Street Magistrates Court.

Back in print

Machine room workers at the Eric Beames printing works, Liverpool, have resumed normal working, pending a meeting about their pay dispute on Monday. An unofficial strike by 168 men last week halted production of *The Sunday Telegraph* and *News of the World* magazines.

Benefit ruling

A teacher who voluntarily took advantage of an early retirement scheme was not entitled to unemployment benefit for the first six weeks after leaving his job, the Court of Appeal in London held yesterday. Permission to appeal to the House of Lords was refused. Law report, page 29

BR bargains

From May 17 British Rail is to run an all first-class overnight train in each direction between London and Scotland with single fares starting at £12 — one third of the ordinary first class single fare. This is to win back passengers lost to coach travel.

Inquiry sought

Mr William Homeward, Labour MP for Kettering, yesterday called for an inquiry into the safety record at the British Steel Corporation plant at Corby, Northamptonshire, where three demolition workers have been killed in the last 15 months.

Funerals halted

Crematorium staff in Liverpool voted yesterday to join the strike by the city's gravediggers from May 17. They said they will honour funerals up to date, but are not taking new bookings.



Luxury lavatory: People queueing outside Britain's first Automatic Public Toilet in Leicester Square, London, when it opened yesterday. The lavatory, for men and women, is open 24 hours a day and costs 10p to use. It is the first of three of similar design to be sited in the West End for a six-month experiment.

Falklands dominates voting today

By Richard Evans and David Walker

LOCAL ELECTIONS

metropolitan districts, including Manchester and Birmingham.

The Social Democratic-Liberal Alliance is fielding candidates in nearly all the 4,800 seats being contested and their participation has been peonised, until international events intervened, to make those elections the most strengthening in Conservative support, coinciding with the Falklands issue, but yesterday party managers were uncertain what effect the destruction of HMS Sheffield and a Sea Harrier would have on voters' intentions.

In London and the Home Counties in particular, Britain's dispute with Argentina appears to be uppermost in electors' minds, rather than local issues, and the outcome of the contests will be seen in some quarters as a public verdict on the Government's handling of the crisis.

In many authorities only a third of sitting members are up for election, but there are "all out" fights in London's 32 boroughs, nine Scottish regional councils and 10

Mr Michael Heseltine, Secretary of State for the Environment, dealt a final campaign blow yesterday when, summing up his party's message, he said: "Can you afford not to vote Conservative?"

In normal circumstances Labour would be looking to take advantage of the customary mid-term slump in support for a Conservative government and regain control in authorities lost last time, as well as making gains elsewhere. The party is likely to do better in the north of England and Scotland, where the effects of unemployment have been particularly harsh.

Today's contests involve five million voters in London, nearly four million in Scotland and several million more in a mixture of districts scattered throughout England.

Manchester looks certain to remain in Labour hands but Tory officials in the West Midlands said yesterday that its law and order campaign in Birmingham should, together with the Falklands factor, allow Conservatives to take control of the city.

□ Voters in Wandsworth, south-west London, go to the polls with their rates uncollected, their bins only partly

emptied and unable to contact the town hall to complain because its telephone operators are on strike.

A dispute between the Conservative-controlled council and refuse collection workers which began two weeks ago over the council's intention to invite tenders from private firms for refuse collection, has widened into what the National and Local Government Officers' Association yesterday called chaos.

Mr Christopher Chope, the council leader, called the strike "a political act".

□ Five Conservative members of the Greater London Council were yesterday nominated to succeed Sir Horace Cutler as leader of the party at County Hall in opposition to Mr Kenneth Livingstone, the Labour leader of the council. They are: Mr Richard Brew, the deputy Tory leader, and Mr Alan Greenough, the party's transport expert, Mr Peter Black, Mr Cyril Taylor and Mr Robert Vigers.

Correction

□ The total of Scottish National Party candidates for Scottish regional councils, given as 1,309 on May 3 should have been 269.

Longer airport inquiry

By Hugh Clayton, Environment Correspondent

The Government announced yesterday that the final stage of the public inquiry into the siting of London's third airport will not start until next year. It was the first official statement of the expected length of the proceedings since they began six months ago, and exceeded estimates by observers that the sessions would be finished by Christmas.

The Department of the Environment announced yesterday that examination of the case for building a fifth terminal at Heathrow airport would probably begin in mid-January at a hotel overlooking the runway. It is unlikely that Mr Graham Eyre QC, the inquiry inspector, will make a recommendation to ministers before the next general election campaign in full swing.

Most of this year will be taken up by the rest of the British Airports Authority's case for turning Stansted airport in Essex into the third airport. But Mr Eyre is also to consider the case for building the airport at Maplin sands.

The inquiry will also be halted for a few days to make room for a short separate inquiry into the fate of a medieval moat near the present Stansted runway.

Some essential elements.

Vatican replies to 'unity' report

By Clifford Longley, Religious Affairs Correspondent

The Vatican has issued a long reply to the final report of the Anglican-Roman Catholic International Commission, both praising and criticizing it and recommending that the process of doctrinal discussion between the two communions should be continued and widened to embrace moral issues.

The report, the result of 11 years of study by theologians from both traditions into the principal areas of disagreement, gave sufficient grounds for thinking that the exercise will be fruitful, the Sacred Congregation for the Doctrine of the Faith states in a document published today.

It identifies some "negative aspects" of the report, however, and claims that, from an official Roman Catholic point of view, some of its propositions are inadequate, ambiguous, or otherwise questionable. The congregation has subjected the report to a close and detailed analysis, and some of its observations are in a conservative spirit.

The report, nevertheless, marks a "singular event" in the history of the relations between the two communions, and constitutes a notable effort towards reconciliation.

The congregation says that its comments are offered not as a final word, but as a contribution to the discussion within each church.

The report, and the observations on it, is now being circulated to bishops' conference throughout the world for comment, and the Vatican's Secretariat for Christian Unity will coordinate the replies.

The most serious criticism is probably the congregation's treatment of the passages on papal privacy and infallibility, where it appears to find the common ground expressed in the report inadequate.

The international commission had suggested a way round the traditional Anglican objection to Roman Catholic teaching on the papacy, by arguing that it had evolved as a historical necessity to preserve the unity of the church.

The congregation confronts this with the words of the First Vatican Council that "the apostle Peter received immediately and directly from Jesus Christ Our Lord a true and proper primacy of jurisdiction," which is the source of the authority now possessed by St Peter's successor. The power of jurisdiction belonging to the Pope "is intrinsic to this office, not something which belongs to it for human reasons nor in order to respond to historical needs."

The congregation points out that the dialogue between the two churches has not looked at the issue of the ordination of women, recalling not only that in 1976 a Vatican declaration stated that it was not possible, but also that certain parts of the Anglican communion now have women priests.

It also repeats the traditional Roman Catholic position that the church's official teaching, the *magisterium*, applies not only to fundamentals of doctrine but to all aspects of faith and morals. That appears to widen the future scope of unity talks.

A particular ambiguity to which the congregation draws attention is the report's use of the word "substantial" in describing the degree of agreement that has been reached. The word has a different meaning in everyday English from that found in theology, it states, and in the latter sense the congregation doubts that it is applicable. The final report "does not constitute a substantial and explicit agreement on some essential elements."

Dock union leaders call off strike

By Paul Routledge, Labour Editor

Dock union leaders yesterday decided by a narrow majority to suspend the national port strike due to begin on Monday over the extension of the industry's unique job security system.

The Transport and General Workers' Docks and Waterways Committee voted to put off industrial action to allow time for testing the Government's intentions on bringing up to 80 ports into the National Dock Labour Scheme.

By an undisclosed, but small majority, the committee agreed to recommend to a national docks delegate conference tomorrow that the proposed strike involving 24,000 dock workers should be suspended while proposals are prepared for the Department of Employment.

Mr David Waddington, Employment Under-Secretary, said in a letter to the TGWU that the Government would give serious consideration to detailed proposals on the extension of the labour scheme to individual ports where employers and workers wanted it.

□ Farm workers could rely on the full support of Britain's largest union, the Transport and General Workers, in future disputes with employers, Mr Mortyn Evans, the TGWU general secretary, said yesterday (Our Agriculture Correspondent writes).

At a press conference after the merger of the former National Union of Agricultural and Allied Workers with the TGWU, Mr Evans made it clear that the localized nature of many agricultural disputes would not inhibit the union giving "considerable assistance" to members in difficulty. Leading article, page 13

£15,120 for Antoinette's tender notes

By Geraldine Norman, Sale Room Correspondent

Documentation of the efforts of Count Hans Axel von Fersen to protect and rescue Queen Maria Antoinette from the hands of the revolutionaries was bought by the French Archives Nationales at Christie's yesterday for £15,120 (estimate £15,000-£20,000).

Fersen was the queen's most faithful ally and confidant; whether there was a closer relationship remains unresolved but the tender tone of this correspondence suggests it.

The documentation included autograph letters from the queen to Fersen from the Tuileries written in 1791 and 1792, and transcripts of other letters, mostly in Fersen's hand, and many letters from Fersen to the Queen.

There is theatrical bill for the coach, a Berlin, in which the queen escaped to Barrennes in June, 1791, made out to an assumed name, la Baronne de Korff.

The top price at Christie's sale of autograph letters, documents and manuscripts was secured by a Sherlock Holmes short story. The Greek Interpreter, at £15,600 (estimate £12,000-£15,000) to Quattrini.

An important political archive from the first decade of the Greek Republic (1820-60), comprising the personal papers of Pericles Argyropoulos and Konstantine Schines, some 1,600 pages, went to a London dealer for a Greek client at £12,420 (estimate £8,000-£10,000).

A delightful unpublished story written and illustrated by Edward Lear for Lady Susan Percy, starring Lear himself losing his hat on a windy day made £2,160 (estimate £1,200-£1,500) to John F. Fleming, the New York dealer.

BR review chairman is chosen

By John Winder

Sir David Serpell, a retired top civil servant and a present member of British Rail Board, is to head an independent committee to review British Rail's finances.

Mr David Howell, Secretary of State for Transport, announcing the review in the Commons, said that British Rail had agreed to release Sir David from his present duties to undertake the task from "the necessary position of total independence."

Sir David retired as Permanent Secretary to the Department of Environment in 1972. Before that he held a similar position at the Department of Transport.

Other members of the review committee will be Mr P. J. Butler, a senior partner of Peat, Marwick Mitchell and Co, who had already received a commission from Mr Howell on the 1982 rail budget; Mr Alfred Goldstein, a consulting engineer and Mr Leslie Bond, a director of the Rank Organisation.

The inquiry will "examine the finances of the railway and associated operations... designed to secure improved financial results in an efficiently run railway in Great Britain over the next 20 years". Mr Howell wants a report in six months' time.

Year after Sands death Maze protests continue

From Craig Seton, Belfast

A year after Robert Sands died on the 66th day of his hunger strike in the Maze Prison H-blocks in Northern Ireland, more than 200 republican prisoners are still protesting over the "five demands" that led to a monumental battle of wills between Mrs Thatcher's government and the republican movement, mainly the Provisional IRA.

Yesterday's first anniversary of Sand's death was marked, uncharacteristically, by a call in the *Republican Irish News* by the Belfast brigade of the IRA to the city's youth not to be provoked into conflict with the security forces and a plea that there should be no rioting.

The night before, only three petrol bombs had been thrown in Catholic west Belfast and yesterday there was a small ceremony outside Sand's former home on the Twinbrook Estate.

A silent "black flag march" by republicans was also planned to pass the spot where an estimated 50,000 people gathered a year ago to mark the death of Sands, who had become a Westminster MP, the first of 10 republican hunger strikers to die before the fast collapsed last October.

According to the Northern Ireland Office, 220 republican prisoners are still protesting over the conditions which the Government has always considered would grant them political status, but now they are merely refusing to do prison work. The so-called blanket and dirty protests that brought the hunger strike into world headlines over several months, are a thing of the past.

The republican movement says that 260 to 270 are still protesting about four of the five demands which were never granted: free association, no prison work, segregation from other prisoners and specific demands about the receipt of parcels from families and full visits from outside.

The hunger strike which initially became a potent weapon in the hands of the Provisional IRA led to only one of the demands being granted; the right of prisoners to wear their own clothes.

Eleven members of the security forces have died this year, the last this week when an RUC constable was shot dead and an unarmed woman constable seriously injured in Londonderry.

The police and the Army prepared last night to cope with any rioting or more serious incidents which could have been expected on the anniversary of Sands' death.

Farmers fear a return to the wilderness

From John Young, Agriculture Correspondent, Stoke St Gregory

"Not so long ago a farmer could be asked whether he was doing his job properly," Mr Dick Howe (right) recalls. "Now it seems they want to penalize us for doing it too well."

"We are being asked to become bad farmers," he claims, gesturing towards the flat pasture on which his family have kept cattle for generations. "If they have their way, I can see this area reverting within five years to what it used to be, nothing but rushes."

"They" in this case are the Nature Conservancy Council which recently announced its intention to designate 2,500 acres of West Sedgemoor, part of the so-called Somerset Levels, as a site of special scientific interest (SSSI).

It was a bold step and one which will provide a searching test of whether the Wildlife and Countryside Act, derided by conservationists as too feeble and by farmers as impracticable, can be made to work.

The farmers affected are bewildered and resentful. Mr Bert Betty, who was the first farmer to drain land on West Sedgemoor, at the suggestion of the Ministry of Agriculture, cannot believe that the

policy is being reversed. Of the 134 acres which he farms, 118 lie within the proposed SSSI. If he is forced to refrain from what the council calls "damaging operations" such as drainage, ploughing, spreading manure and the use of chemicals, he thinks the farm will fall in value by half and that it will be hard to find a buyer.

The council maintains that the low lying peat moor is not only an important bird sanctuary but also a refuge for increasingly rare plants and insects, which would be threatened by conversion to grassland or, worse still, to arable fields.

The farmers claim that only small areas of the moor are important in terms of wildlife and that the council's proposals constitute "overkill".

Mr Brian Rowe (left), chairman of the Somerset and South Avon branch of the National Farmers' Union, claims that at least one farmer has become seriously ill from worry. He is pressing for a postponement of the scheme and for the deadline for objections to be extended beyond the end of next month.

Huntsmen confident council ban will fail

By Hugh Clayton, Environment Correspondent

Supporters of hunting believe it will be impossible for South Glamorgan Council to enforce a ban on foxhounds, even if its members vote for one today. Mr Anthony Martyn, master of the Glamorgan Hunt and chairman of the local action committee of the British Field Sports Society, has taken legal advice about the proposed ban.

The motion to be proposed by a Labour member of the council in Cardiff is one of many similar attempts to ban the hunting of prey with hounds on rural land owned by councils. Similar motions have succeeded in Berkshire and failed in Leicestershire and Waverley District in Surrey.

South Glamorgan is one of many councils where the authority is divided into rural land owned by the council and urban land on which sports rights are assigned to tenants. The only way of enforcing a vote for a ban is to wait until a vacancy ends and write an agreement for the new tenant which reserves sports rights to the council as landlord.

The Cardiff vote will mark the start of the most concerted campaign yet by opponents of hunting to

secure plans on more than 400,000 acres of council-owned land in Britain. Similar motions are to be put in month before at least four English county councils, and supporters of hunting in Humberside plan to demonstrate when the council there votes on a ban next week.

The motion at Humberside is to be worded in a way which will put pressure on tenants who farm the council's 9,000 acres to enforce a ban. South Glamorgan owns about 3,000 acres, of which about 500 are hunted by the Glamorgan foxhounds and the South Wales Bassets.

□ The Co-operative Wholesale Society yesterday defended its decision to ban hunting on its 14 farms and estates around Bristol covering 38,000 acres, the largest private holding in farmland in the country (Derek Harris, Commercial Editor, writes).

"There has been much unfair criticism, such as suggestions that the decision resulted from extreme left-wing agitation," said Mr Dennis Sedgwick, chief executive of the CWS. "It is nothing of the sort. The CWS board has simply acted democratically."

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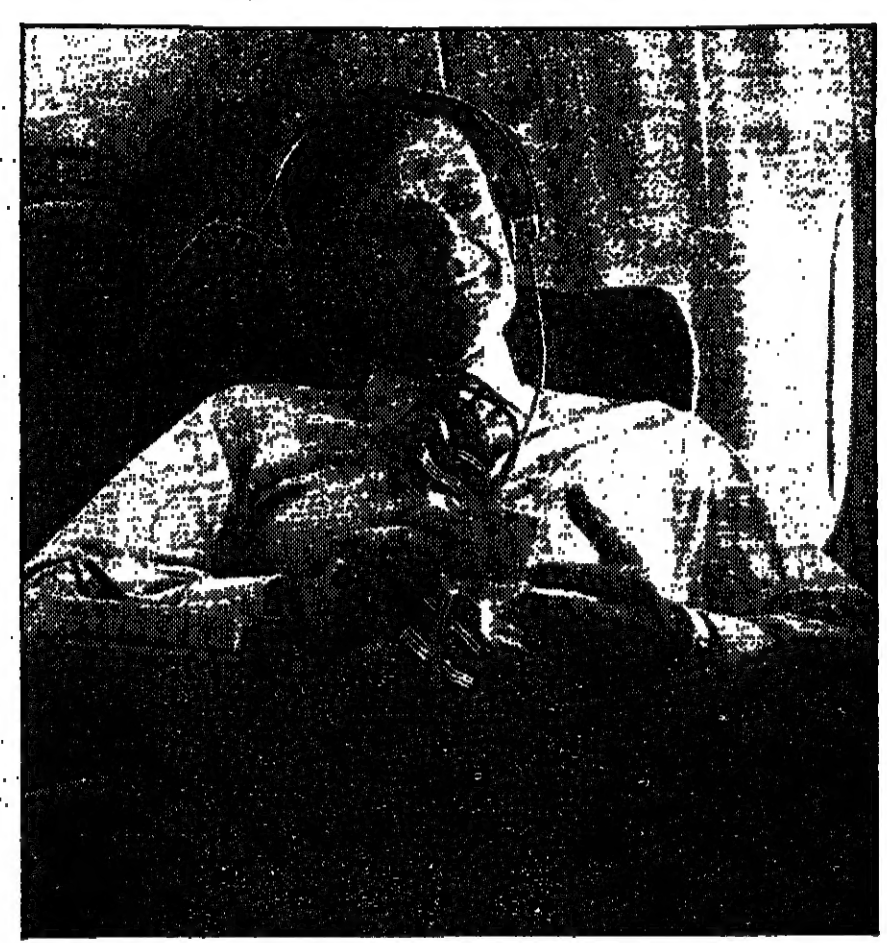
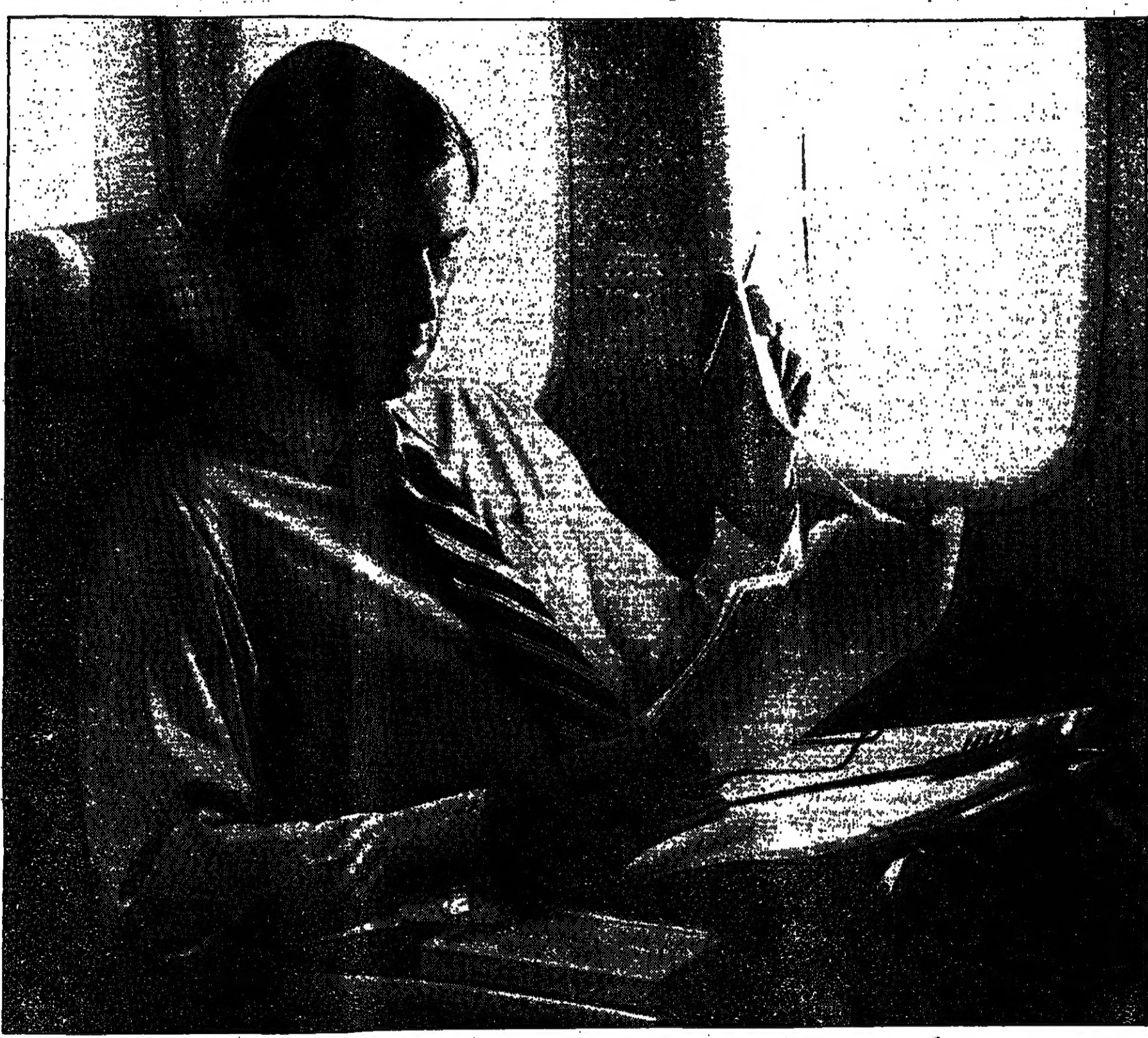
HELP do this and other vital work.

Professional Classes Aid Council,
10 St. Christopher's Place, London, W.1.

Vatican replies to 'unity' report

By Clifford Longley
Religious Affairs
The Vatican has replied to the report of the International Commission on the History of the Church, which was published last week. The reply is a long and detailed document, which is expected to be published in the near future. It is expected that the document will be a significant contribution to the ongoing dialogue between the Vatican and the secular world.

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Use of live rounds in Gaza defended

From Moshe Brilliant
Tel Aviv, May 5

The toll of violent deaths in the occupied West Bank continues to mount. Four Arab teenagers were killed last night in a mysterious explosion in a gully near Jenin, while a 14-year-old girl died today in a Jerusalem hospital after being shot in the head on Sunday, apparently by an Israeli civilian.

An army officer in the Jebel refugee camp in the Gaza Strip fired live ammunition this morning to break up a demonstration. The military command said shots were fired at the rioters' legs to repel a mob attack on a small military position in the camp. The Israelis said two Arabs were injured.

Arab sources said six young men and a young woman were hurt. The independent Israeli newspaper *Haaretz* claimed today that casualty figures in demonstrations were higher in the past month and a half than in the previous 15 years of Israeli occupation — nine Arabs and two Israelis killed and 30 soldiers, 19 Arabs, 16 Israeli civilians and four foreigners injured. Today's toll is not included.

In Jerusalem today, Labour Party deputies criticised Lieutenant General Rafael Eitan, the chief of staff for the use of live ammunition against demonstrators. He replied that this was done only as a last resort after warning shots, tear gas and rubber bullets failed.

Critics said it was curious that bullets aimed at people's legs should have killed them. They said civil disobedience had escalated since the Israeli installed a civil administration on November 1 to replace the military. The general claimed the unrest was provoked by agents from abroad on orders from the PLO in Beirut and Damascus.

Military sources said the cause of the blast that killed four Arabs in Yabod, near Jenin was being investigated. Arab villagers said the area had been a Jordanian mine field. Israeli Army investigators searched the homes of the victims and summoned families for interrogation.

Tension rose in Nablus where Israeli troops set up a position on the roof of a soap factory owned by the prominent Toukan family. Local residents said they counted 500 sandbags raised to the roof.

Mr Sharon, the Defence Minister, visited the position today and worried Arabs suspect it is a nucleus of an Israeli settlement. They said they were reminded of a case in Hebron where troops set up a position on the roof of a building. The building was later turned over to Jewish militants for settlement.

A member of Mr Sharon's staff scoffed at the idea.

Prisoners of conscience

Indonesia: Alex Irwan

Head of nuclear power project killed by ETA

From Harry Debelius, Madrid, May 5

In its first act of direct, violent confrontation with the Basque home-rule Government, the ETA secessionist movement today murdered the chief engineer of a nuclear power plant under construction in Bilbao, just as they killed his predecessor less than 16 months ago.

The attack occurred on the morning when representatives of the home-rule Government were to sign documents in the regional responsibility for the operation of the nuclear plant from the privately owned Iberduero Power Company to the regional authorities.

The timing of the attack made it clear that the ETA would continue its campaign against the nuclear installation even after the project received political support from elected Basque officials. Four gunmen in a parked car shot dead the engineer, Señor Angel Pascual Mugica, as he was driving to work in Bilbao. His 18-year-old son, Inigo, a student, who was with him in the car, was slightly injured by flying glass.

Two bodyguards, apparently travelling in another car, fired at the terrorists as they made their escape. The car they used in the attack and for their escape, which was stolen earlier this morning, was found soon afterwards in another part of the city.

The murder was part of an increase in ETA violence in support of a demand for the

removal of all Madrid-controlled forces of public order from the Basque country by Friday week. It prompted Señor Leopoldo Galva Sotelo, the Prime Minister to call an emergency meeting in Madrid today with key members of his cabinet.

Señor Pascual Mugica, the project manager of the Lemoz nuclear station near Bilbao and an employee of the Iberduero Power Company for the past 25 years, was the father of four children.

He had taken over the functions of chief engineer at the nearly completed plant last month, after more than a year in which the construction work was virtually halted as a result of the fatal shooting of his predecessor, Señor Jose Maria Ryan, by the ETA on January 29, 1981.

Terrorist opposition to the Lemoz plant was also expressed over the past few years in the bombing of scores of transformer installations, owned by the Iberduero company, mostly in the Basque region.

A communiqué issued by the Secretariat of State for Information after the ministers' meeting said: "The Government maintains its firm will to continue with the plan drawn up for the Lemoz nuclear station, and so do the institutions of the Government of Euzkadi (the Basque country), which set up on this day, after the death of Señor Pascual Mugica, the management corporation for the nuclear power plant."

They are made more serious by an economic situation which experts describe as disastrous, caused by a high level of imports, lack of efficiency in industries and services, and an enormous debt burden.

Yet President Nimeiry, who has been in power since 1969 — by far the longest term served by any Sudanese leader — insists that the recurring crises are not crucial to either his own survival or to the continuation of Sudan's pro-Western policy. "I can remove my deputy, and have as many deputies as I want," he told me. "If any deputy is not working according to my plan, I will take him out."

Similarly, he plays down the importance of the riots which broke out earlier this year after sugar prices, always a hot political issue, had been raised as part of a new economic recovery programme. He says the student agitation against the sugar price increase was a result of Libyan agitation. Although there is no evidence of this, the student body is certainly open to influence from Muslim fundamentalists, including Libyans.

President Nimeiry is preoccupied by the alleged Libyan threat, although even some members of his own Government do not see it as a serious affair. His opponents say it is used as a diversion to cover up some of the Sudan's own problems, particularly the rising prices of sugar, bread and other commodities.

An exhibition of captured arms smuggled in from Libya by Sudanese dissidents, who were allegedly supplied with them by the Libyan authorities, has been given wide publicity in Khartoum. But the few mortars, machine guns, rifles, grenades and booby-trapped portable radios could constitute no more than a nuisance.

There are worrying signs that the recent link-up between Libya, Ethiopia and South Yemen is being used to encourage opposition in the Sudan. Libyan finance has

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"See? We're even watering it!"

St Lucia back in its groove

From Jeremy Taylor
Port of Spain, May 5

Monday's general election in St Lucia put a decisive end to nearly three years of flirtation with political change and returned the island's 120,000 people to the familiar leadership of the late 1960s and 1970s. The United Workers' Party of Mr John Compton, the former Prime Minister, was swept back to power with 14 of the 17 seats in the House of Assembly.

Mr Compton was Prime Minister for 15 years until he was defeated by the St Lucia Labour Party soon after independence from Britain in 1979. He is expected to continue his pro-Western foreign policy and to concentrate on restoring the island's economic growth.

The SLP, which held power for most of the last three years, managed to hold only two of the 12 seats it won in 1979, while the left-wing Progressive Labour Party of Mr George Odium, which broke away from the SLP last year, took the remaining seats.

Mr Compton is faced with the task of halting St Lucia's economic decline and boosting its crucial tourist and banana industries. He can expect some American support: his victory will gratify Washington.

Guerrilla dies

Rome. — Giorgio Vale, one of Italy's most-wanted right-wing urban guerrillas, died in hospital after being shot during a police raid on his Rome hideout. Signor Vale, aged 21, was suspected of being involved in a string of killings and the Bologna station bombing which killed 85 people.

Six up Everest

Katmandu. — Six Soviet climbers, according to press had reached the summit of Mount Everest by yesterday. Valentin Ivanov, of Moscow, and Sergei Yefimov of Sverdlovsk and two Ukrainians, Sergei Bezhov, of Kherkov and Moscow, and Vladimir Donetsk, scaled its 29,000ft peak while Eduard Myslovsky, (Moscow) and Vladimir Balyberdin (Leningrad) were descending. The Ukrainians, whose job was to supply food and oxygen to the latter pair, decided to go to the summit themselves.

Last round-up

Kanab, Utah. — Sinbad, the horse used by President Reagan when he hosted the Western television series *Death Valley Days*, is dead — killed by a bolt of lightning at the age of 20. Sinbad was retired from show business several years ago and spent his time munching alfalfa and entertaining children.

Doctors stabbed

Stockholm. — Two doctors were stabbed to death and four other people seriously wounded when a patient requesting treatment went berserk in the Fruangen medical centre here. A 35-year-old Yugoslav, caught by a taxi driver outside the hospital and taken into police custody.

Sudan in difficulties Gaddafi blamed for Nimeiry's troubles

From Charles Harrison, Khartoum

Political problems resulting from rivalries in his own Army, bickering and ineffective leadership from the ruling Sudan Socialist Union, and conflicting demands from the south for the creation of additional regions, are only some of the difficulties now facing President Jaafar al-Nimeiry.

They are made more serious by an economic situation which experts describe as disastrous, caused by a high level of imports, lack of efficiency in industries and services, and an enormous debt burden.

Yet President Nimeiry, who has been in power since 1969 — by far the longest term served by any Sudanese leader — insists that the recurring crises are not crucial to either his own survival or to the continuation of Sudan's pro-Western policy. "I can remove my deputy, and have as many deputies as I want," he told me. "If any deputy is not working according to my plan, I will take him out."

Similarly, he plays down the importance of the riots which broke out earlier this year after sugar prices, always a hot political issue, had been raised as part of a new economic recovery programme. He says the student agitation against the sugar price increase was a result of Libyan agitation. Although there is no evidence of this, the student body is certainly open to influence from Muslim fundamentalists, including Libyans.

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Vietnamese refugees flee camp

From Richard Hughes, Hongkong, May 5

Hundreds of south Vietnamese refugees are making their second escape from northern camps, but this time from their common sanctuary in Hongkong's main refugee camp to a recently vacated one.

Threats of continuing violence by their northern Vietnamese fellow refugees — groups of whom have been attacking the southerners with choppers and iron bars — led to the flight of nearly 1,000 from the Kaitak North camp to the empty Argyle 4 camp, where surprised camp workers allowed them to enter.

The former camp manager, Mr David Smith, who had to return unofficially to duty, pointed out that all the camp's bunks had been removed and that there were no cooking facilities.

Luckily, we still have running water and the showers and toilet block is still working, he said. The returning refugees are volunteering to move furniture and equipment from the Kaitak North camp to improve conditions and are working hard as if to repay us for granting them sanctuary, but it will only be temporary, I expect.

Hongkong police have already arrested 51 Vietnamese refugees for involvement in the factional fighting over the past few days in the Kaitak North camp, where 7,487 refugees are awaiting resettlement.

A police spokesman said that order had been restored inside the camp and that "the two factions have been separated".

Staff at the camp, however, denied that a line of demarcation had been established. The deputy chairman of the camp's management committee, Mr Karl Strumpf, said: "We should not allow them to be segregated because they must learn how to live together."

Many Hongkong residents in a public housing estate next to the Kaitak North camp are alarmed at the outbreak of armed fighting.

They report that some of the refugees have been chasing one another and brawling outside the camp during the past months, but that they have been reluctant to report the incidents to the police because of fears of retaliation.

The office of the United Nations High Commissioner for Refugees said that the problem was under careful study and emphasized that the recent severe tightening of resettlement programmes resulted in new arrivals having greatly reduced resettlement prospects.

-label="Text">

Mr Lewis Davies, the Hongkong Secretary for Security, pledged that a strong police presence would be maintained.

It is expected that the refugees, who made their second escape to the vacated camp will soon be returned to the Kaitak North camp.

Hard-labour punishment has been proposed for arrested refugees.

Turks demand action on death of consul

Ankara, May 5. — The Turkish Government summoned Mr Robert Strauss-Hupe, the American Ambassador, and demanded immediate measures to apprehend the killers of the Turkish honorary consul general for New England.

Africans reject Namibia scheme

From Michael Hornsby, Johannesburg, May 5

Black Africa's "front-line" states have rejected as sterile the current Western attempt to secure a negotiated settlement of the Namibia question, and declared that it should be set aside in favour of a "Geneva-type conference, under the auspices" of the United Nations.

This statement — the most serious setback for the Western negotiating effort since it began towards the end of last year — was issued after a meeting yesterday in Dar Es Salaam, Tanzania, capital of "front-line" foreign ministers and Mr Sam Nujoma, the President of Swapo (South-West Africa People's Organization).

The meeting was convened at the request of the Swapo leader, whose guerrilla forces have been fighting a bush war against the South African Army since 1966 for Namibia's independence. The territory was a German colony until the end of the First World War, but is now occupied by South Africa in defiance of international law.

The Dar Es Salaam meeting, which was attended by Zambia, Mozambique, Botswana, Zimbabwe, Kenya and Angola in addition to Tanzania and Swapo, gave its full backing to Mr Nujoma's rejection of the latest Western settlement proposals, dealing with the election of constituent assembly in Namibia, and also to his call for a new international conference to tackle all outstanding issues.

In what perhaps the most significant passage in their communiqué, the foreign ministers said that they "shared Swapo's deep disenchantment with the current protracted and sterile phased approach in a negotiated solution of the Namibian question as proposed by the (Western) contact group".

This is a reference to the strategy, pursued since last autumn by America, Britain, Canada, France and West Germany, which seeks settlement by stages, getting agreement first on the broad shape of Namibia's constitution, and then going on to other matters such as the size and deployment of the United Nations force that would be sent to keep the peace in the run-up to pre-independence elections.

While Swapo and its African allies have frequently objected to specific aspects of the West's proposals, they have not previously expressed such strong dislike of the whole negotiating procedure.

Western diplomatic sources, who were still digesting the implications of the latest African statement, today pointed out that the last all-party conference of this kind failed in Geneva in January, 1981 — and that present phasing of the process was in response to that failure.

The sources expected that the contact group would meet in the course of the next fortnight or so to re-appraise their position.

In the meantime, it has been confirmed that Dr Chester Crocker, the American Assistant Secretary of State for African Affairs, who has been leading the Western Group, will meet senior South African officials in Switzerland next week (not the one originally planned for) for confidential talks on the Namibia issue.

Zimbabwe border blast

From Stephen Taylor, Harare, May 5

A series of explosions in the town of Beit Bridge in South Matabeleland, on Zimbabwe's border with South Africa, damaged railway, electricity and water installations, the police confirmed.

The damage to a water tank, a pylon and a stretch of railway line was slight and the supply of electricity to the town was not affected.

Officials did not comment on who was responsible, but the area is one in which dissidents from one of the country's former guerrilla armies have been active.

Police have also disclosed that one member of a gang was seriously wounded and two others captured in a shoot-out south of Bulawayo on Monday. The gang's presence at a Kral in the rural area about 25 miles south of the city had been reported to the army.

Turks demand action on death of consul

Ankara, May 5. — The Turkish Government summoned Mr Robert Strauss-Hupe, the American Ambassador, and demanded immediate measures to apprehend the killers of the Turkish honorary consul general for New England.

Mr Orhan Gunduz was shot dead as he sat at the wheel of his car in Somerville, Massachusetts, on Tuesday night by two men posing as joggers. An Armenian group claimed responsibility.

Mr Gunduz was the second of Turkish officials to be killed in the United States this year. UPI

Africans
reject
Namibia
scheme

Guru of the baths

An English Temper
Essays on Education, Culture
and Communications
By Richard Hoggart
(Chatto & Windus, £9.50)

Up the road from Goldsmith's College, South London, is a public baths "lavatorially tiled, smelling of chlorine, very bleak-looking, very shabby". One of its frequent visitors is the College's cultural studies professor of the '50s and '60s, Richard Hoggart. Whether Mr Hoggart, adult-educationist, ex-United Nations bureaucrat and author of the twenty-five-year-old best seller, *The Uses of Literacy*, attends the baths for research or refreshment is not stated. What he finds there, however, is an overweight attendant "what our right-wing press likes to call a yobbo or layabout" — who on one noted occasion grabbed the good guru and drew his attention to the prettiness of the Edwardian wrought-iron roof.

"His vocabulary was massively inadequate to what he was trying to say", writes Hoggart, "his conscious sense of the amazing thing that was happening inside him almost non-existent. This story underlines once again that we must resist the constant pressure to understate our own public personality, to inhibit our own public articulation of the world, also our duty not to romanticise the situations such people are in."

In this book of nineteen essays, mostly written since 1975, Hoggart always to tread this same difficult path between rejecting and romanticizing the achievements of the popular

culture he did so much to promote. It makes a brave piece of retrospection. He faces up to the most manifest horrors — the 200-acre university campuses that have become the middle-class squares of the now-disgraced tower-blocks, the polytechnics where mass-media courses have been judged more "relevant" than Shakespeare. His UNESCO work in the early '70s has cast an unkindly blight over his faith in the cure-all powers of communication. He still has hankering after the concept of some industrialized noble savage but, except in his local bath-house, reality wins through.

An influential thread that passes through all his work is a disquiet about the convoluted and PR men to gull their working-class victims. In a sharp study of Matthew Arnold as a schools inspector he compares approvingly the clear short sentences of an 11-year-old state school girl with the latinate period of a boy in private education.

The best that can be said for Hoggart's own prose style is that it stands in our oral rather than written tradition. In one of many remarkable sentences, he offers two dashes, a parenthesis within the dashes, a semi-colon within the parenthesis and some final emphasis in italics to help clear the confusion. Neither for its content nor style can *An English Temper* be called a joy to read; but the thoughts of a sincere idealist — however muffled by experience — repay some small, sad study.

Peter Stothard



Look out in the slips. Watercolour of A Young Cricketer by William Henry Hunt, always esteemed by artists, critics, and now collectors, but one of the most seriously underdocumented of English nineteenth-century painters. The omission is now repaired by this full Life and Work with a catalogue by Sir John Witt (Barrie & Jenkins, £35).

Down with cads

The Gentleman in
Trollope
Individuality and Moral
Conduct
By Shirley Robin
Letwin
(Macmillan, £15)

The Gentleman is an obsolescent beast in our egalitarian age. It is difficult to use the word without pomposity or sarcasm. Why, the anti-elitist embarras has seeped down even to our public lavatories, which are labelled Men rather than Gents. The title of this book implies that it is a narrow work of Lit Crit. On the contrary, it is an unfashionably broad work of philosophy, arguing that the concept of the English Gentleman is a forgotten and better morality.

Dr Letwin suggests that the English Gentleman has a

more sensible approach. He is an individual who appreciates the differences in other individuals. He does not presume to have a direct telephone line to God or History, nor hold himself responsible for setting the world to rights. He sees mortal existence as a gift which men have a duty to enjoy. His attitudes to work, money, class, sex, and the position of women were saner than those of the self-divided man. Shirley Letwin uses Trollope for her field work to find specimens of the vanishing species. She could just as easily have used Jane Austen or Fielding. It is not a matter of gender. By her standards the most perfect gentleman in Trollope's novels is Madame Max Goosier; and her antipode, the most utter cad, is Lizzie Eustace, rudderless and unable to respect any limits or order.

This is entertaining, provocative, unfashionable stuff, even if Shirley Letwin as an American is more impressed by the English Gent than those of us to the manerism born. I dare say that even that paragon of creation, the Gentleman, had something to learn from such prophets of our divided century as Mrs Eustace. But even if you do not buy the moral philosophy entire, the book is an engaging chance to meet again all those diverse living gents and cads in Trollope.

Philip Howard

Buck-you-uppa through pix

Of This Our Time
A Journalist's Story 1905-1950
By Tom Hopkinson
(Hutchinson, £8.95)

As a 1940s kid I read *Picture Post*, along with *Everybody's*, *Illustrated* and *John Bull* while waiting for a short back-and-forth. Because the magazine seemed so demotic, I had always assumed that its "legendary" editor, Tom Hopkinson, was a man of the people, a gritty figure from oop north, perhaps. His use of the mangled "Tom" supported this impression. The best anagram I can make of his name — "NO! TO MINK SHOP" — reinforces the anti-luxurious working-class image, though admittedly the anagram of the ennobled Sir Tom Hopkinson "I'M TO SINK POOR NHS" — has a more reactionary twist.

So it was a surprise to discover that Hopkinson was the son of an archbishop of Westminster, that he had a public school and Oxford education; and that he is diverted by social trivia (his Oxford scout, William, knew 25 different ways to fold a napkin).

Yet my mental picture of Hopkinson was not wholly adrift. For a start, he does come from oop north; he was born in Manchester. And he is rather grim. He does not

lack humour, but under everything lies moral imperative and social conscience (and why not?) and something more fey which causes him to flirt with the notion of reincarnation.

A buck-you-uppa note sounds throughout the book, as if we all needed our morale boosting as the dark days of *Picture Post*. (Perhaps we do.) And a Samuel Smiles self-made-man consciousness comes through in the chapter headings — "Ladder of Learning", "First Steps on a Long Road", "Success" — as though he were the hero of an Arnold Bennett novel. The passages of self-congratulation (including laudatory quotations about him) can be forgiven, partly because he scrupulously records his mistakes and failures too, and partly because he has a lot to be immodest about.

The book perks up as it goes along. The first chapters reflect his dreary childhood. His parson father was apparently saintly, and unimpressive in this sort of way. The sort of man could never be revived. Hopkinson was proved by the failure of Sir James Goldsmith's heavily pictorial NOW magazine, of which even the logo was a coarsened crib of *Picture Post*'s.

Hopkinson is reticent about his private life. The brusque coverage of his

various marriages reminded me of the parody of Anthony Powell in a *New Statesman* competition: "At the party I met Elise, to whom, I recalled, I had been married. But his professional life is well recalled. Like an autobiography, *Sprightly Running*, he does not just select and record incidents, he makes it clear what he learned from them.

He was obviously a good, decisive editor, and he passed the final test of integrity with *Picture Post*. The answer, of course, is yes, but at the moment they're keeping it all untidy. Perhaps Anderson and Swinglehurst should have done the same. It's one thing to meet some back-packing bore halfway up Scalfell itching to unload a tall tale, but two volumes of the things are quite a different matter. Tam Lin is a pretty legend but, like the rest, poorly recounted. The walks usually bear little relation to the stories which accompany them. Just to make sure you really do get lost, the publishers have kindly transposed the main maps in the two volumes and omitted to provide indices, so if you find someone looking shire this summer you know whom to blame.

Walking in Scotland, edited by Roger Smith (Spur, £4.95), on the other hand, is no great read, does represent an

Bevis Hillier

Fiction

A Chain of Voices
By André Brink
(Faber, £7.95)

At the risk of upsetting readers who turn in these columns for respite from the fantastical events chronicled elsewhere in the paper, and not of course wishing to add to the burden carried by the leaders of two great nations, it has to be said that the recent behaviour of both Mrs Thatcher and the Argentine Junta lends impressive support to Friedrich Engels' claim that history makes itself in such a way that the final result always arises from the conflict between individual wills.

This belief dictates the structure of André Brink's fifth novel. It is based on one of the bitterest and most poignant episodes in South African history, the murder of three white settlers by a group of slaves in February, 1825. The voices of the book's title belong to the two dozen or so Boer farmers, Hottentots, and African slaves who were caught up in the abortive act of rebellion; and the story is told through their individual testimonies. It's a well tried device, particularly suitable when the culmination is made known at the outset. Since there is no independent narrative, it also makes heavy demands on an editor's ability to create characters from the inside. But here, as in his choice of subject matter, Mr Brink is playing to established strength. And the result is a triumph, not only of story telling, but of insight into the belief by both sides that there are only two sorts of people in the world: those

born to oppress, and those born to be slaves. The saga unfolds on the van de Merwe farmstead, high on the Bokkeveld, seven days by wagon from Cape Town, and therefore almost out of reach of unsettling rumours that the British authorities there are going soft on slavery. Almost out of reach, but not quite, because the immediate cause of the uprising is the dashing of hopes raised by a false rumour that all slaves are to be given their freedom. Hope, as one of them reflects afterwards, is the hardest thing to live with.

However, the seeds of discontent were sown a quarter of a century earlier, when old Piet van der Merwe allowed a young slave, Galant, to be reared alongside his own sons, Barend and Nicolaas, and then adopted "sister" Hester. Or, more precisely, at the moment when childhood ends, and the four playmates have to assume their adult roles. Nicolaas loves Hester, which is sufficient reason for Barend to exercise his prerogative as elder son, and claim her for himself. As a consolation prize, their father gives Galant to Nicolaas, to help him run the farm he had hoped to escape from.

Unfortunately, Piet's style of child-rearing, like his approach to everything else, was based on a selective use of the Bible and liberal use of the sjambok. As a result, both his sons have become weak bullies, desperate to draw on the greater strength of the individuals over whom they have been given absolute power, and swift to resort to brute force when they meet only contempt. But each flogging merely reinforces Galant's conviction that he is superior to his master, just as Hester's hold over her husband becomes more complete

every time she is raped by him. The explosive violence of the ending follows so inexorably from what has gone before that no tension is lost by having it revealed at the beginning. But Mr Brink's real achievement is to explore simultaneously the psychological and sociological forces which make the tragedy inevitable, dextrously weaving the threads of domestic conflict into the grand tapestry of historical change.

Terry Coleman's *Thanksgiving* (Hutchinson, £7.95) also deals with historical events of great significance, but it's small beer by comparison. Wolsey, Lowell, the beautiful though dangerously over-educated daughter of a Yorkshire priest, sails to America with the Pilgrim Fathers. She marries a scholar who goes mad, and is forced to leave Plymouth for the comparative sylvanism of New Amsterdam, where she takes up with jolly Irish seadog Harry O'Brien. They have twin daughters, who, subsequently, accompany French explorer on an ill-fated expedition into Indian territory.

Mr Coleman belongs to the broad-sweep school of trawling. Real characters like Peter Stuyvesant, Oliver Cromwell, George Downing, and Samuel Pepys wander in and out of the scene. One day with Coleman's fictional creations, talking (and thinking) in a curious hybrid of seventeenth and twentieth century speech. A great deal happens, but the focus is out of hand, largely because the writer seems to lose track of who it is that the book is really about. It's a good yarn, though, and worth taking on holiday, even if the only result of reading it is to send you back to Fenimore Cooper and Captain Marryat.

John Nicholson

Paperbacks

Scottish Walks and Legends
by Janice Anderson and
Edmund Swinglehurst
(Granada, two vols, £1.50)

Should one bewail a paucity of pedestrian literature? Ask the poor old Lit. Ed. and his eyeballs roll towards the ceiling; yes, indeed we should. Cobbett rode and Thoreau chugged, but did anyone of any interest walk?

The answer, of course, is yes, but at the moment they're keeping it all untidy. Perhaps Anderson and Swinglehurst should have done the same. It's one thing to meet some back-packing bore halfway up Scalfell itching to unload a tall tale, but two volumes of the things are quite a different matter. Tam Lin is a pretty legend but, like the rest, poorly recounted. The walks usually bear little relation to the stories which accompany them. Just to make sure you really do get lost, the publishers have kindly transposed the main maps in the two volumes and omitted to provide indices, so if you find someone looking shire this summer you know whom to blame.

Walking in Scotland, edited by Roger Smith (Spur, £4.95), on the other hand, is no great read, does represent an

astonishing compendium of genuine walker's knowledge of the terrain. The Scottish area of the Ramblers' Association was behind the book, and one can only thank them deeply. Had I spent as many difficult hours as the various writers have trekking through the length and breadth of the country, I should not yield up my secrets so readily. The introductory sections to each region are sound and backed up by bibliographies, and one is left with the impression that the book stems from a knowledge of Scotland rather than a quick dash through the heather, notebook in hand. A Lewis man, shown the relevant section of his abode, praised its accuracy. I need say no more.

Robert Orrell's *Saddle Town* in the Lake District (Granada, £1.50) is not strictly pedestrian. Dogged by a failure and debts, he took to hoofing it round the Lake District on two ponies and sleeping under the stars. There is obvious reason for the country's decline, and the author seems a likeable fellow, but we appear to be directionless in sub-Herriot land.

Wynne Bartlett has a fancy for the Lakes too, particularly the haunts of Beatrix Potter. *Lakeland Walks* from Beatrix Potter (Warne, 75p). Miss Bartlett's brand of literary deduction should win her a contract with Jonathan Cape's metaphysics section.

David Hewson

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TEXAS

"Think of Texas as a country". Texans often tell strangers. The advice is superfluous; there is no other way to think of it. Texas is bigger than any European country except the USSR; the whole United Kingdom would fit into it almost three times; it stretches halfway from the Mexican to the Canadian border, and a third of the distance from the Atlantic to the Pacific. It is 245 times as big as Rhode Island, the smallest of the 50 states.

Where legend lives in the good daily life

Everything in Texas is big, in fact and legend, until the two are indistinguishable. One discovers that one governor, Mr. Richard B. Hubbard, weighed more than 400 pounds. Why not? It's Texas. When I lived there, a paid obituary in a cattle journal announced the death of Mr. Brankala, a bull of more than 2,000 lbs, a cross between an Angus and a Brahman which had left 3,000 ampules of its semen. By any Texan standard, it did not seem prodigious.

Texans had been renowned and disliked for boasting of their bigness, until one of the best known writers among them said: "Texans should learn silence". But this must be understood of Texas: the closeness of legend to fact, and of fact to legend, is striking and telling. The popular concept of the Texan, as one Texan historian says, still has vitality and meaning in daily life. In spite of the relentless pressures of national integration and homogenization, Texans are still regarded by themselves and others as people with a difference.

Texans even now talk of the United States as if it were a separate nation to which Texas is joined only by a treaty of convenience. They have some justification in both history and law. Texas joined the United States very much on its own terms. When it was admitted to the Union, it was given the right, if it should ever wish to do so in the future, to divide itself into more than one state. By turning themselves into five states, each the size of New

York, Texans could have 10 instead of two United States senators.

Of more immediate importance is that the control of its public lands is much more in its own hands and not those of Washington than is the case in other states. This has encouraged the obsessive passion for land speculation that has been a persistent feature of Texan life. Given the size of the land and the scale of much of the ranching and farming, this speculation had always been the root of both the fact and the legend of the Texan's easy fortunes. The get-rich-quick Texan was a legend long before the oil gushed.

The discovery of the oil only magnified the speculative possibilities in land which was already rich in timber and crops and cattle. That it made huge fortunes overnight for so many people was again not a new phenomenon in Texan life. Even before Spindletop blew its black gold out of the ground, the land itself had made the Texan of scale and legend: the confident and free-swinging entrepreneur.

Wealth is not regarded in Texas as a commodity to conserve. The Texan does not think of himself merely as a custodian. As an individual, he used it for a good and extravagant life. (When a Texan talks of the good life, as he is apt to do, one can see and touch the things which make it good.) As a businessman, he uses it to make yet more by calculated risks. The millionaires who import snow from the Rockies for their parties indulge in no less

expansive schemes in their businesses.

In a state where people live more by plunder than any comparable number of people anywhere else in the modern world, it would be an invitation only to disappointment and even to cynicism to expect either its political or its social life to be virtuous. A Texan wrote to his mother in 1836 as a Texan might still write: "Mother, I am afraid the way from Texas to heaven has never been blazed out."

Texans do not only plunder their own land. To them it is part of their treaty rights to plunder the rest of the United States. They plundered the federal government during the New Deal more than any other state, and they show their gratitude: driving from Houston to San Antonio you pass through a town appropriately called New Deal. But it is now dying, bypassed by the expressway.

For there is more now, elsewhere, for the Texans to plunder. For several years now they have plundered the U.S. armed services, using the political cloud that was perfected by Sam Rayburn and Lyndon Johnson, to bring army and air force bases to the state, and also huge and ever-multiplying contracts for its old and new but ever-expanding industries. The U.S. armed services, Texans are not unwilling to boast, is one of their cash crops.

It would be disillusioning also to go to Texas and expect it to be non-violent. A visitor who noticed in the early days that its natural

death rate was low in comparison with other states, said that Texans made up for it by patriotically practising mortal combat with each other so that Texas would lead the nation even in this. Texans are not now so quick to draw, yet the violent settlement of disputes is common.

The Texas Rangers now ride in cars, sometimes switching to boats and aircraft, but always with a saddle in the boot.

Yet with it all, these people with a difference are among the most attractive in America, and the difference counts. The long years of bloody encounters with the Mexicans, a civilized people, left a different mark than the encounters of other Americans with the Indians. They are also the only state which was an independent nation before it entered the Union. The ten years of the Republic of Texas still give them a unique identity.

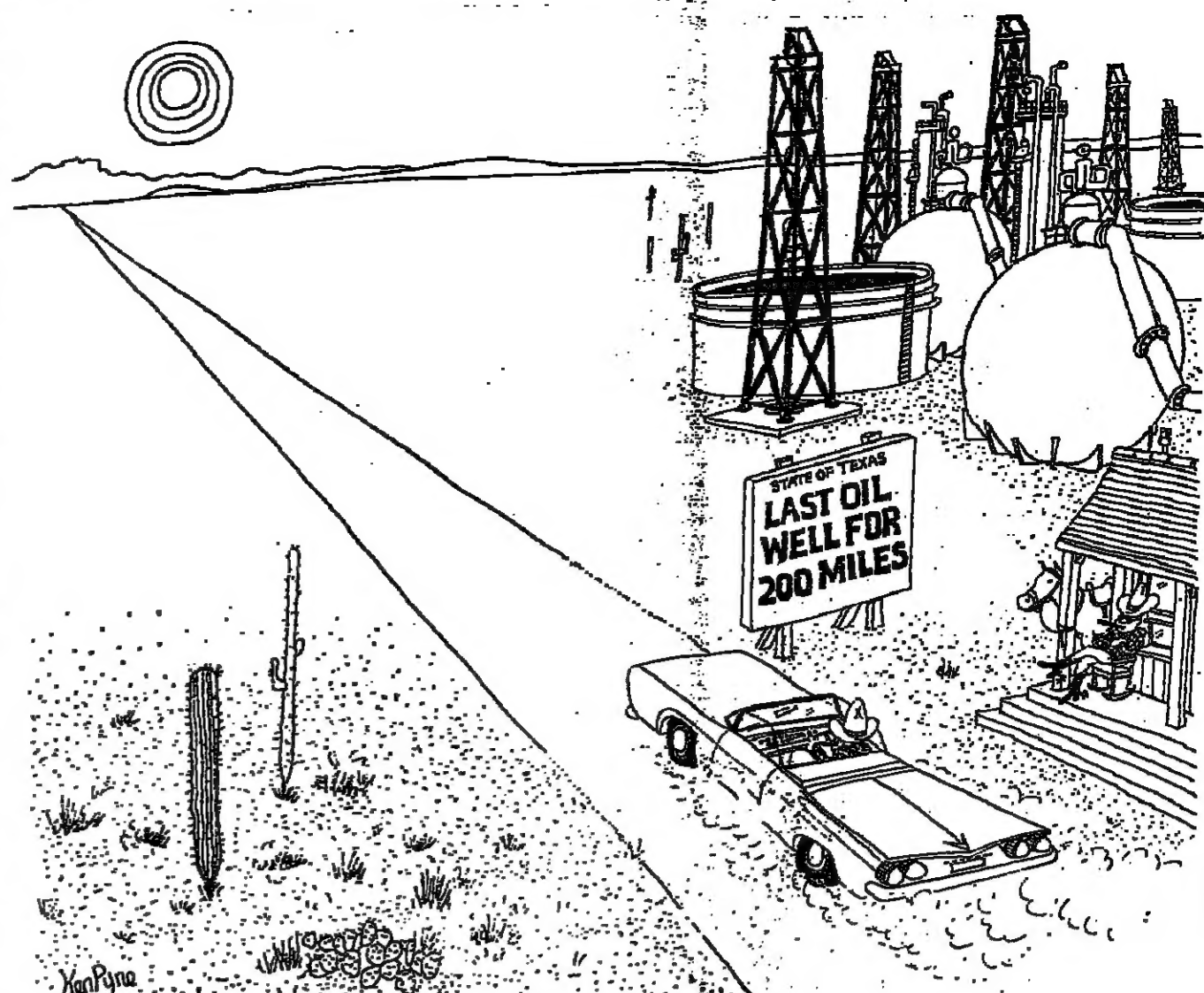
For these and other reasons, as one Texan historian has recently said, they are frontiersmen still, but adjusted to the modern world in a unique way. One can find no real Texans without finding them, as he says, adventurous, mobile, aggressive and adaptive, strongly individualistic and yet egalitarian; optimistic and utilitarian; volatile and chauvinistic, which spills into provincialism and race-arrogance.

But the vitality is irresistible, and with the vitality is the generosity, so ready a generosity and so uncloying. For in them is the spaciousness of their land. It once drove the whole length of it, from north to south, starting on ice-packed roads, arriving at last on subtropical gulf. There is the timber, all round are the great plains, in the middle is the hill country, a gently rolling land of goat ranches. Driving as the sun set on evening, white-tailed deer grazing everywhere, we suddenly found ourselves in the middle of a herd of buffalo.

In the Mercedes-Benz convertible with the top down, the south fork of the Guadalupe, clean and sparkling, flowing softly at the foot of a hill, there was only one thing to do. I burst into song with such tune as my voice can manage: "Give me a home where the buffalo roam; and the deer and the antelope play".

Everyone has their own Texas. Mine is there but also in the far-flung petrochemical industry on the ship channel. Why have to choose in a state which is a country?

Henry Fairlie



As the gushers dry, what now?

In Texas car bumper stickers still exhort passers-by to get an oil well, but the energy euphoria of the last couple of years is ebbing away.

The rapid decline of the oil price, reversing the sharp rise in the United States after President Reagan lifted regulations, high interest rates and the recession in the economy are all taking their toll.

Major groups may still be spending more — Exxon's domestic capital and exploration spending this year is expected to rise 25 per cent to \$6,000m — but for many independents and oil service companies the boom, while not going into a bust, is slackening off.

As Mr George Mitchell, of Mitchell Energy and Development Corporation, one of the larger, very successful independent groups put it: "You're going to see a pretty tough year, this year."

His company last year had an energy budget of \$450m. This year that has been cut to \$300m and may be cut again, depending what happens to interest rates. From 360 wells drilled in the continental United States last

year, Mitchell Energy will drill between 250 and 275 during 1982.

Refining — 25 per cent of the nation's capacity is in the Houston and Gulf area — is in the doldrums and the petrochemical industry is depressed.

No one believes that the search for oil both worldwide and in the United States is going to tail off permanently.

"It's going to continue to grow through the rest of this century," said Mr Bill Kistler, president of the Drilling Tools and Equipment group of Hughes Tool, the Houston-based rig equipment manufacturer. "We are going to have to continue to rely on oil and gas as the major energy source."

Texans are really where the modern oil industry started, with the first discoveries of the giant fields that revolutionized its development.

Rotary drilling — developed in the East Texas fields and as the major United States companies increased their exploration and production overseas in the 1950s and 1960s Houston in particular developed as the international oil capital. "More than any other town in the world," Mr Kistler said, "Houston is the centre of the oil business."

Texas itself has since gone into a long-term decline as an oil producing region. Despite increased drilling over the last couple of years, production of oil and gas has continued to drop and reserves, if nothing new were found, would be exhausted in less than eight years.

Nevertheless oil price deregulation, and the spurt in prices following the Iranian crisis, have made many marginal prospects profitable. Many new operators

have come into the area. Well over half of the most active independents in Houston were not there 15 years ago and between 40 and 45 per cent of them were not there ten years ago.

These independents do not confine their activities to Texas. Sanders Oil and Gas, a small independent in Dallas, has acreage in the Abo trend in Chaves county, New Mexico. This is a "tight gas" area, which means that because the structures need to be fractured to gain production, a higher price can be obtained under government control — gas is still regulated — than from simpler structures. Sanders will actually be drilling more wells this year than last. Last year it could not get the acreage it wanted at the right price. Competition is fierce. Mr Tad Sanders, a vice president, reckoned that there were three to four times the number of operators interested in prospects than there were five years ago.

There are signs, however, that interest is flagging. Investment is unlikely to flow into speculative drilling ventures this year, the way it

Continued on facing page

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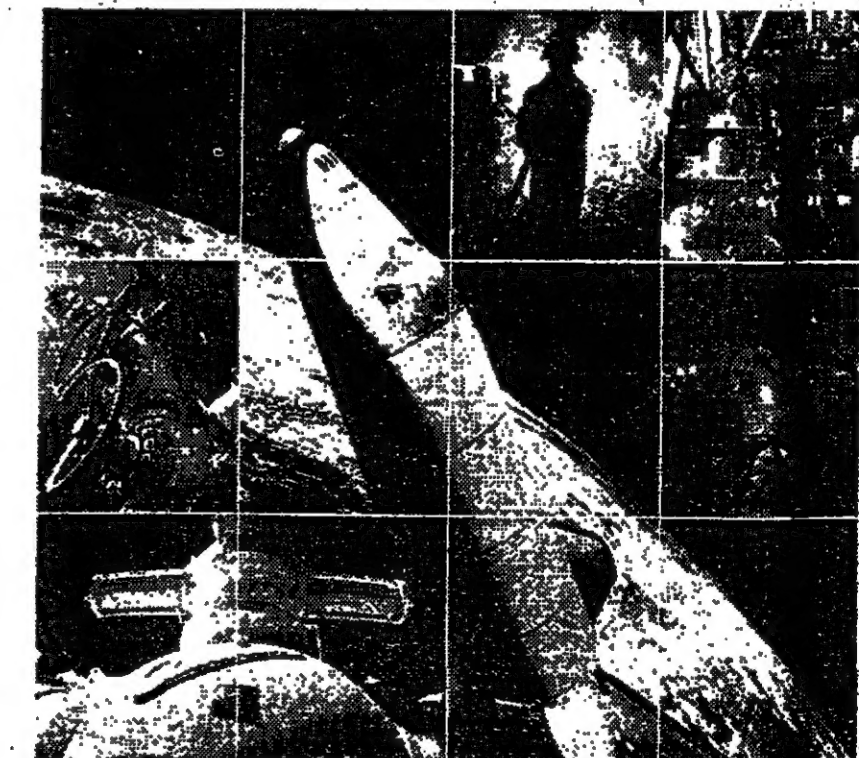
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Banking: rapid growth despite a legal straitjacket

In little more than a decade banking in Texas has changed out of all recognition. Although Houston and Dallas are not, and probably never will be, financial centres of the type and scale seen in New York, London or Hong Kong, the area has quickly established itself as a place where it is essential for international banks to be.

Growth has been very fast indeed. Total bank deposits in Texas increased by 212 per cent to a total of \$82,200m between 1970 and the end of 1981 compared with an increase nationwide of 154 per cent to September last year.

Coupled with this growth has been a sharp rise in competition as foreign banks and domestic banks outside Texas have set up operations. So far Houston has taken the brunt of the expansion following the energy led growth in the city. There are now 64 foreign banks operating in some way in Houston compared with only 15 in 1976. But Dallas is seeing the impact too with five foreign banks and 18 non-Texas US banks competing for business.

Texas has very restrictive banking laws. It operates under what is known as a unit banking system. This outlaws branch banking and means that each bank must be incorporated separately with its own board of directors.

Until 1970 the Texas banks did very little international business at all, but then First National Bank, two of the four largest Texas banks, set up offices in London. Then a change in the Texas banking laws allowed the forming of holding companies. The big banks expanded rapidly by example, has more than 30 banks in its group and InterFirst, which includes the National Bank in Dallas, more than 50. The ten largest bank holding companies now own about 350 banks and control almost 55 per cent of the deposits in the state.

The Texas banks were able to expand with an economy that has seen a 43.5 per cent increase in employment between 1970 and 1981, an explosion of new construction and a boom during the last couple of years when the rest of the US stagnated. This expansion has allowed them to take on increased international business and to compete with the influx of foreign and US domestic banks.

A change in the US federal banking laws had by 1980 allowed non-Texas banks to conduct international loan business from offices in the state. Earlier they had to rely on representative offices, with the business placed with their headquarters. New banks have moved in rapidly

and are aggressively looking for new accounts. "Local businessmen would much rather deal with their local bank or what they perceive to be their local bank," said Mr Harry Folk, who runs the Manufacturers Hanover operation set up last July.

The competition is greatest with large corporation and international business, but it is also growing in the middle market. "If you have professional expertise in a specialized area of banking you can compete quite successfully," said Mr Joe Musolino, president of Republic Bank in Dallas.

Republic formed the International Energy Bank in London with the Royal Bank of Scotland (which was one of the first foreign banks to set up in Texas), Barclays and others, to take on North Sea lending and recently closed a \$1,000m oil loan with Barclays and 21 other banks. The intention is not to compete head on with the banks like the Nations Westminster, Chase Manhattan or Fuji Bank but to specialise and select. It is in the middle market where the fight may be getting tougher. Manufacturers Hanover is looking for business in this area and so is another newcomer, Standard Chartered, which opened a representative office in Houston in May 1979 and an "Edge Act" bank conducting

foreign business in January 1981. It intends to open another in Dallas soon.

Competition is fierce both for Texas banks and those which come from outside the State. The overseas banks have an initial problem in persuading a prospective client why he should deal with a foreign organization. "It is one of the biggest difficulties you have when knocking on their door," said Mr Dave Hekins, who heads Standard Chartered in Houston.

For the Texas banks the impact of the foreigners has meant shaving interest rates. "With strong loan demand we have all to be able to show good profits but it has had an effect and has demanded the greatest efficiency possible," said Mr Robert Green, chairman of Cullen's Bank in Houston and the present chairman of the Texas Bankers' Association.

The Cullen/Rost group's earnings rose by 30 per cent last year. Republic's were up by a third, but the Texas economy is not proving totally immune from recession and growth could well slow this year.

Further ahead is the effect of a deregulation of the American banking system. Most United States bankers expect interstate banking to come, the only question is when.

Nicholas Hirst

How one city excited the world

In the minds of many people around the world the words "Houston" and "Mission Control" are synonymous. The city of Houston and the National Aeronautics and Space Administration's Lyndon B. Johnson Space Centre have been identified as a single entity almost since the space centre site was chosen in 1961 and their special relationship began.

The rest of the world shared in that sense of unity of identity when the first words spoken by men standing on the surface of the moon were radioed back to earth, beginning: "Houston, Tranquility Base here — the Eagle has landed." Since that July day in 1969, the Johnson Space Centre has given the world the visionary Mercury, Apollo and Gemini space programmes, and now has responsibility for the Space Shuttle programme. "We excited the world," said Dr Christopher Kraft, the director of the Johnson Space Centre, who made his first trip to Houston when the 1,620-acre Nasa site was still a cow pasture.

"At the time we moved here the city was in the throes of deciding whether rapid development was the answer or not. The atmosphere surrounding our programme contributed to the futuristic outlook of this particular area of the country and added enormous impetus to the development of Houston."

The Johnson Space Centre was officially opened in September 1963 with a mandate to design, develop and test spacecraft and associated systems for manned flight; to select and train astronauts; to plan and conduct manned

missions; and to participate in medical, engineering and scientific experiments to help man understand and improve his environment. Situated 25 miles southeast of central Houston, the Nasa facility and its staff rapidly became a major influence on the developing city, lending a charisma to the metropolitan area. "Our greatest contribution has been to education in the area," Dr Kraft said. "Because we are an educated group of people we helped develop the schools and the outlook of the universities, not just in research but in a wide-ranging area of programmes."

"Downtown Houston was influenced by the spirit of Nasa and used the space programme as a flag to establish its own identity." Approximately 3,500 engineers, technicians, scientists, secretaries, mathematicians, managers, clerks, photographers, writers, instructors, administrators and astronauts are employed at the Johnson Space Centre and another 7,500 people work in the region for support contractors.

The combined staff brings in between \$250m and \$300m a year in wages and an extra \$50m to \$100m in additional revenue. Much of the money is spent in the immediate vicinity of Nasa's establish-

ment and new motels, shopping plazas, homes and schools are evident. During the next 10 years the bulk of the management of the Space Shuttle programmes will be shifted to the Kennedy Space Centre at Cape Canaveral in Florida, but Nasa will still retain a major presence in Houston. "Currently we plan to have a fleet of four Shuttles operational by the end of the decade with a further four built for Nasa by the turn of the century," said Dr Kraft.

"Columbia will be joined by Challenger, Discovery and Atlantis by 1990 and the United States Air Force will have its own shuttle in operation also. Air Force personnel will join us here at the Johnson Space Centre for Columbia's fourth mission to monitor our operation and manage the Department of Defence payload the shuttle will be carrying."

Dr Kraft admitted that some Nasa employees were concerned at the increased security measures the newcomers were insisting upon at the Space Centre. "We have been used to operating totally openly here but the Air Force people want to start installing locks and tightening things up generally. Nasa is a civilian agency and by charter is dedicated to the peaceful development of

space for the benefit of all mankind. There will be some restrictions in the future but not enough to change the nature of Nasa."

Dr Kraft is a strong supporter of Nasa and its charter. He has fought numerous attempts to wrest control of the organization from its civilian directorship and place it on a more political and/or military footing.

"Nasa has been asked to do a lot of things that are really beyond its charter," he said. "We have been asked to solve the energy problem, to devote time to the environmental problem and look at the other massive problems confronting the human race. But we have a charter and that charter is space, any divergence from that goal would dilute the agency and take away its altruism and ideals."

In the future the Johnson Space Centre will be the home of the technical arm of Nasa, a role which Dr Kraft believes will continue to challenge its employees.

Dr Kraft predicts that in 20 years the Johnson Space Centre will have increased the number of its staff by about one third with Nasa activities spread equally at Cape Canaveral and Vandenberg Air Force Base in California. "Our efforts will be assisted by strong participation from private industry. The character of Nasa may change superficially but I believe that its essential nature will remain the same and will continue to contribute toward the development of Houston and the United States," he said.

Piers Akerman

Dallas, where business is business

Hertz Rent-a-Car at the Love Field airport of Love Field displays a reservation card for a Mr J. R. Ewing. It is a nice touch, but Dallas the city looks much less glossy, in real life than it does in the opening title sequences of the television show.

Cranes spoil the skyline. The television picture when compared with the real thing makes Dallas frozen in unreal time. The real city has constant road construction and the building of a fast-growing community. There are oil men here and as in the television programme, many of them own ranches. But unlike Houston, Dallas does not come across primar-

ily as an oil city. The catchphrase heard at promotional conferences, in bars, and in company boardrooms is that the business of Dallas is business.

Put simply, Dallas is more of a white collar town than Houston; its industry is lighter, more diverse, and it likes to think of itself as a financial, banking and insurance centre.

Houston was in fact founded before Dallas, but Dallas gives the impression of being the older community, more established, more culturally aware. Houstonians would say "less exciting". Maria Callas opened the Opera in Dallas in 1957 and the Dallas

Theatre was designed by Frank Lloyd Wright. The raucousness of Houston is missing; so, Dallas would claim, are Houston's problems.

Dallas has been growing quickly, and in fact, with more than three million people, the Dallas-Fort Worth area combined is larger than the comparable Houston metropolitan area, but its rate of growth has not been quite as fast. "Dallas has got better understanding of its position and has better control," said Mr Terry Fritz, full-time President of the Dallas Chamber of Commerce. Nevertheless last year Dallas put in more new office space than Houston or even Los Angeles.

The Chamber hopes that within the next 10 years more American companies will have their corporate headquarters in Dallas than in any other American city. At the moment it lies third behind Houston and Chicago.

Last year the Chamber had an inquiry every three hours from a United States based

company to relocate or expand in Dallas. Now it is one every two and a half hours. Foreign banks which have rushed to open offices in Houston as the energy and port business expanded are opening them in Dallas too.

But Dallas is facing problems. It has a high rate of neighbourhood robberies. Unemployment in South Dallas, where there is a large black population, is running at 13 per cent, compared with less than 5 per cent in the city as a whole.

It is also likely that while the recession may touch Dallas later and more quietly than it has elsewhere, its effects will be felt this year.

But the city is proud of its planning record. Plans laid for a reservoir in 1940 are just being put into effect — construction work will begin next year and work is already under way to add another international airport to relieve the expected heavy traffic at Dallas-Fort Worth by the year 2000.

N.H.

Oil boom over

Continued from facing page did in 1981. Operators are looking more askance at prospects in the popular Austin chalk region than they were. This is a faulted area which needs expensive drilling techniques with up to \$1m being spent for a single well.

Wells in this area that looked highly profitable at \$38 a barrel and more look very marginal with the price falling below \$30.

The stock market has taken an increasingly jaundiced view of the oil service companies, which reported sharply increased profits last year. For some, however, the decline in demand for rigs has come as a welcome relief. Such was the interest last year that many old, inefficient rigs with inexperienced crews were brought into service and costs soared. Now costs are being trimmed, and rig productivity

is rising. Last year Hughes Tool found that demand for rig equipment was outstripping its capacity to produce.

Texas, with Houston as its oil capital, has built up expertise that is saleable worldwide. Mr Ed Hess, senior vice-president of Exxon USA, said in testimony to the Texas Railroad Commission: "Summarizing the long term outlook, we believe the world's energy future is basically unchanged. Alternative sources of energy will be expensive and lead times will be long; thus we will continue to rely on conventional energy sources throughout the century."

Texas, with its concentration of oil and gas technology, will continue to be in the forefront of the search for new finds. But with the present glut of supplies, the immediate future is for slower growth.

N.H.

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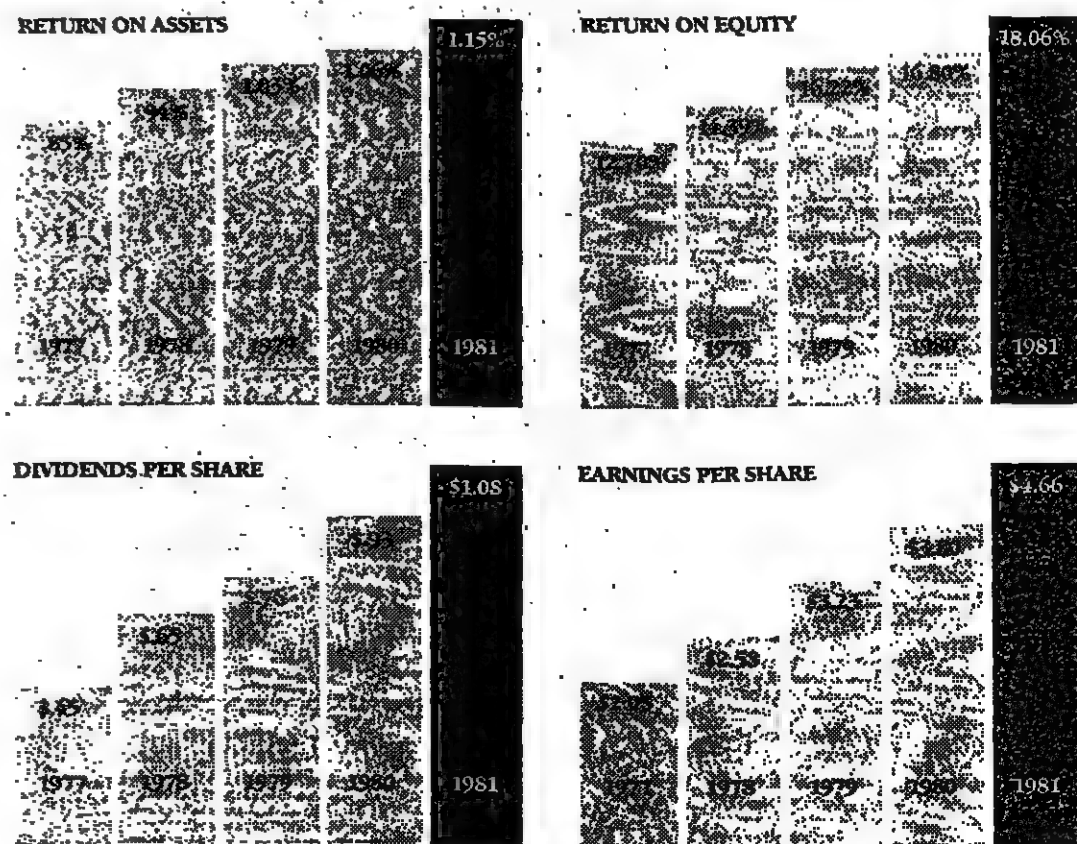


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THE TIMES THURSDAY MAY 6 1982

13

LETTERS TO THE EDITOR

WILLING THE MEANS

Strategy, as Mr Pym told the Commons yesterday, must be seen as a whole. It is not a diplomatic solution to the Falklands crisis that we want; nor an economic solution, nor a military solution. It is a solution; and we are having to use all three means to achieve it. What weight is given to any time depends on the circumstances, and the circumstances depend on many factors outside our control. Nothing that has yet occurred in this crisis can justify the accusation against the Government that it is seeking a military, and only a military, solution. Argentina, on the other hand, has by its behaviour shown that it has no great interest in diplomacy, so that diplomatic means have so far not achieved very much except under the additional stimulus of military pressure. Moreover, the economic means, though long on declaration and intention, are woefully short on immediate effect, and even shorter now that some fair weather friends in the EEC are considering lifting their sanctions almost before they had imposed them.

The solution we seek is the withdrawal of Argentine forces from the Island. That has become paramount in the short term, since no other medium or longer term permutation about sovereignty, administration, interim arrangements, or self-determination has any meaning without it. There has been no sign that such a withdrawal is likely through diplomacy. The sad and painful conclusion must be that such a withdrawal, or a better inclination to negotiate such a withdrawal, can only be made more likely by military pressure.

The purpose of British military strategy has therefore been to secure this withdrawal, with tactics at all times conditioned by the doctrine of minimum force. That involved imposing a quarantine round the Islands, not only to prevent the invading forces from being further strengthened after the supply and resupply of the last four weeks, but also to emphasise that the invasion and occupation is an unnatural and illegal state of affairs, which must therefore be temporary, and soon terminated.

The quarantine at sea and in the air, the total exclusion zone, has to be maintained. All British action so far has clearly been taken to achieve that objective, and to protect our forces against attacks intended to prevent them from achieving it. This has meant defending ourselves against attack, and, as Mr Nott observed yesterday, it would be inconceivable that the Government's rules of engagement for commanders inhibited them from such defensive action, as, for instance, was required in the engagement with the General Belgrano.

DOCK THREAT ONLY DEFERRED

Through all the recent months of rising unemployment and closing factories, one group of workers has survived in perfect security. Registered dock workers are virtually immune from lay-off or dismissal, and if the company that employs them shuts down other employers in the same port are obliged to find jobs for them, whether or not there is any work for them to do. To relieve the gross overmanning that inevitably results, terms for voluntary severance are so attractive that more than 4,500 out of a labour force of 20,000 accepted them last year, in spite of all the uncertainties of life in the world outside the dock gate. It is this comfortable state of affairs that the dockers would like to compel the Government to extend to the smaller ports which were left out of the statutory National Dock Labour Scheme in 1976. At a soft answer from the Government has led the negotiators to put off a clash which would inevitably be profoundly damaging to the economy. But the threat is only deferred: the Government will hardly be able to look favourably on a proposal which even the Labour government flinched from as too radical. Short of naval blockade, no surer mean can be imagined of hurrying the ports outside the scheme into the same kind of malaise that afflicts most of the ports that are members. The scheme, and the restrictive practices that go with it, are not exclusively to blame for the dismal performance of the

In the course of defending our zone we have inflicted casualties against our attackers, and suffered them. Suddenly the whole atmosphere of the crisis has changed. The flag waving and the fanfare are no longer part of the fun. It is a sad reflection of the television age that violence of all kinds assumes a kind of plasticity, an unreality - which tends to immunise us from the idea of violence, but not from its awful reality when that breaks out on the television screen. Thus the studio discussions, the sea charts and the sand tables, all have a reassuring feeling to them which is only belied by the dark horror of maimed bodies floating helplessly on mountainous and icy seas. These are the pictures which never come until it is too late.

This shock came upon the House of Commons yesterday and the night before as the details of British casualties were announced. It will percolate more widely to the public, though whether the same sense of shock is reflected in voting patterns at today's local elections will only be evident when the results are declared.

There is a sense in which the age of deterrence and the abolition of conscription have deprived the British people of the means to understand the facts of their own security. Deterrence is not a state of affairs which can be secured on the cheap; and the cost cannot just be financial. Yet for 25 years the British people have been lulled by their leaders into willing the ends of deterrence - peace - without willing the means, which are a continuous involvement in, and possible sacrifice for, the cause of peace.

Until 1968 no year had passed since the war in which a British serviceman had not died for his country; there was only a twelve month lull. In the Mau Mau emergency 26 men died, in Suez 17, in Borneo 62 (including Gurkhas), in the Malayan emergency 525. Since troops were sent to Northern Ireland in 1969 351 regular servicemen have died and another 122 members of the Ulster Defence Regiment. We are now faced with casualties in the South Atlantic. Our task force was sent there for a purpose, not just to assist diplomacy by looking nice on television screens and sounding nice in politicians' speeches. It was sent there to do a dangerous job, since danger is its business. It is too late now to regret the discovery that violence begets violence, and that we may all have to suffer in the struggle to see that undue reward.

If the task force had been sent out to the Falklands with a limited casualty label stuck on its sterns, what would that figure have been, one? two? twenty? thirty? three hundred? These figures are not calculable, any more than they were when Britain

undertook other security commitments at home or abroad. The defence of vital interests, be they principles, citizens, or sovereignty, cannot be so precisely, and actuarially assessed if it is to have any real validity as a basis of national policy.

The question now is: how does the Government proceed from here? The first necessity is to continue our attempts to secure a total exclusion zone against the attacks of Argentine aircraft and ships. This may mean a contraction in the perimeter of the zone, to provide fewer chances for Argentine attack by mainland-based aircraft. But the zone must clearly be kept intact, and made more secure in time for the arrival of the land forces within the next two weeks. At that stage, if there has been no break through in negotiations, the Government will have to establish and augment a land presence in the Islands. Of that there can be no doubt.

But there may have been negotiations by then. Mr Pym yesterday spoke favourably about the prospect of a trusteeship status for the Falklands Islands under United Nations auspices. The House, or most of it, felt reassured at this prospect at the end of the negotiating process; but it is that process itself which still baffles statesmen.

Whatever longer term arrangement can be made for the Islanders' security there are certain factors which constitute an irreducible minimum to the British position. The first is that nothing can be done without a preliminary Argentine withdrawal, and no negotiations entered into which do not provide for that withdrawal. The second is that the question of British sovereignty against the Argentine claims: cannot be conceded or negotiated; it can only be frozen pending judicial decision. The third is that the Islanders' views and wishes must be fully respected in the final settlement. After this invasion, it is inconceivable that they would opt for, or could be pressured into, accepting either Argentine sovereignty or any type of Argentine control.

So we are back in a difficult phase of our strategy to achieve a solution which is consistent with those principles, as with the overriding principle that illegal acts of international violence must not be condoned or compromised with. The basis of strategy is the struggle for freedom of action. The invasion pinned us down, and pressurised us into accepting it. Our response has restored our freedom to challenge the invasion and has prevented it being accepted by the Islanders, by the British nation as a whole, even by the world community. That freedom of action for our own people, for all people, - that freedom - must remain our objective.

Months. Dockers can claim that the scheme, introduced to end the harsh exploitation of casual labour before the war, has made it possible for the labour force to shrink from 80,000 in 1947, when the scheme began, to 18,000 today. Since the pact which followed the national dock strike ten years ago, the contraction has accelerated at relatively small cost in stoppages. The advance of containerization is expected by some observers to make a further drop to the 10,000 necessary by 1984.

Dockers have been pressing intermittently since 1976 for the extension of the scheme to other ports and to container depots within five miles of a registered port - the TGWU threatened industrial action over the latter only last May. The dockers claim that Felixstowe enjoys an unfair advantage by avoiding the levy paid by member ports to finance the scheme, and that its success harmfully heightens the tendency of business to slip away from ports in the north and west. If there is any substance in the first argument, it can be met without imposing the full burden of the scheme on Felixstowe. The second simply identifies the effects of the inefficiency that the scheme has inflicted on members. It is worth paying a certain price for peace in the industry, and the price of the dock labour scheme is already very heavy. Hobbling successful ports to allow the unsuccessful one to catch up would be far too high an additional price.

For all their protection, registered dockers cannot look on the withering of their home ports entirely without misgivings. Major gains in productivity have been belatedly agreed both on Merseyside and in Hull in recent

Defence priorities 'lie with Nato'

From Admiral of the Fleet Lord Hill-Norton

Sir, It appears from his laboured attempts to defend Mr Nott's disastrous defence policy that David Watt (feature, April 30) shares the Defence Secretary's almost total inability to understand what Mr Watt miscalls "European priorities". There are, of course, no such priorities for Britain, or any other European power, which belongs to the Nato Alliance.

Nato's priorities have led her Majesty's Government of both political parties, with the unanimous approval of all our Nato allies so to order our military contribution that Britain has, for 25 years, provided 70 per cent of the Nato maritime forces on the Eastern Atlantic, Norwegian and North Seas. This has absorbed 10 per cent of our defence budget. No other ally, including the United States, can replace these highly efficient and specialized forces which Mr Nott announced last June would be cut by a third. He has since compounded this folly by announcing that naval manpower would be cut by 15 per cent, and the vital dockyard support for the whole fleet by about 25 per cent.

It is a palpable illusion to suppose that any money saved by this major and irreplaceable reduction in Nato's maritime defence (upon which any successful land/air operations in Europe wholly depend) can be usefully employed, as Mr Watt puts it, "to protect further north-west Europe, and most of all the islands". For no less than 40 per cent of our defence budget we are now providing just 10 per cent of the allied forces deployed in Germany.

Any increment which could be paid for by even half the navy vote would increase these forces by perhaps one armoured division or one squadron of Tornado aircraft.

Does anybody, except Mr Nott (and Mr Watt), suppose that this would really make any difference at all to the Soviet perception of our conventional deterrent or the nuclear threshold?

None of these hard facts has anything to do with a preoccupation with historic delusions of maritime grandeur, or with an attempt "to restore large global capabilities". It is, nevertheless, certain that had the humiliating seizure of the Falklands occurred after the Defence Secretary's ill conceived intentions had taken effect, no military option would have been available to the Government.

It is equally certain that no other country, including the super-powers, could have saluted this "rapid deployment force" so quickly or so smoothly. Indeed, the brilliant professional efficiency with which the navy and the dockyards mounted this operation contrasts starkly with

the amateur blunders by successive governments which made it necessary.

It is devoutly to be hoped that wiser counsels will now prevail, and that a wiser man will soon be charged with reordering our defence priorities to accord realistically with our Nato obligations.

This would, as an important bonus, enable us to continue to play the part for which history and aptitude make us particularly suitable, in deterring all aggression whether within or outside the Nato area. I am, and remain, Sir, your obedient servant, HILL-NORTON, King's Mill House, South Nutfield, Surrey, May 1.

From the Duke of Buccleuch and Queensberry

Sir, May I repeat a proposal I made in the House of Commons over 10 years ago? Regrettably, it fell on mainly deaf ears then, but the Falklands crisis makes it more obviously pertinent and urgent now.

It was for the creation of a South Atlantic Treaty Organization (SATO) or else for the extension of NATO to cover the entire Atlantic, together with suitable bases. The Falkland Islands, South Georgia and Simonstown are good examples.

Quite apart from the long-term significance of mineral and other resources in Antarctica, most of the free world depends upon the movement of shipping, including oil super-tankers, around the capes. Argentinian aggression demonstrates the extreme vulnerability of these trade routes and that NATO defences could be as easily bypassed today as in 1940. We must not let a relatively minor independent dictatorship distract us from the far greater menace of those striving for global dictatorship of the Communist variety.

Because many Central and South American states could be unreliable allies, through their propensity to unstable undemocratic regimes or their flirtation with Cuba, and because most European countries are even more dependent upon oil imports than we are, there is a good reason for their direct participation in NATO or SATO.

For too long we have dithered over the Falkland Islands and dependencies. Now, I suggest, is the time to plan their future, following the withdrawal of Argentine forces, in the context of global strategy and take positive action jointly with our friends in Europe, Canada and the United States.

Yours faithfully, BUCCLEUCH, Drumlanrig Castle, Thornhill, Dumfriesshire, May 2.

East Timor invasion

From Lord Avebury and others

Sir, The speed with which the governments of Europe have acted in concert to apply economic, political, and military sanctions against the Argentinian Government since its illegal occupation of the Falkland Islands is remarkable. It merits comparison with their response to a recent very similar military occupation of another European colony.

Like Argentina, the military Government of Indonesia invaded the Portuguese colony of East Timor, in December, 1975. Since then, as you noted in your editorial, "Horror in East Timor" on February 24, it is estimated that more than 100,000 people have died either directly as a result of military operations or from consequent famine and disease, out of a population of only about 670,000. They were all, by law, Portuguese colonial subjects.

The Timorese have repeatedly pleaded for sanctions against Indonesia, as have the Portuguese, but none has been forthcoming in six and a half years of brutal war. Indeed, governments such as our own have assisted the Indonesian military by supplying them with aircraft to facilitate their illegal occupation, repeat-

edly condemned by the United Nations.

The invasions are analogous but the European response exhibits a clear example of double standards. In the case of the Falkland Islands, it is firmly stated that a country must be supported against an illegal invader and that a people's right to self-determination must be upheld. In the case of East Timor, these rights are apparently expendable, as is the country's population.

As world opinion is being mobilized to support the Falkland Islanders, we reaffirm the conclusion you drew about East Timor that a "solution based on negotiations and the free choice of the inhabitants is urgently needed and the international community, particularly those countries which have close economic and military ties with Indonesia, including Britain, should make much more serious effort to achieve one".

Yours faithfully, AVEBURY, FENNER BROCKWAY, B.C. BUTLER, BOB EVANS, RUSSELL KERR, ALF LOMAS, JOAN MAYNARD, DOROTHY M. NEEDHAM, JOSEPH NEEDHAM, STAN NEWENS, 8a Treport Street, SW18.

Hanratty case

From Professor Terence Morris

Sir, In the course of his article which you published in April, Mr Hanratty's legal case makes two serious errors of fact. These are especially surprising when they are made by a former law officer of the Crown.

He says: "...look at the case of Hanratty. He unintentionally shot Michael Gregsten when he turned suddenly in the car." "...after Gregsten's death he raped Valerie Storie at gun point and emptied his gun into her body in order to eradicate her evidence."

James Hanratty was convicted at Redcliffe Assizes on February 17, 1962, of the capital murder of Michael Gregsten. The trial which incidentally lasted 21 days established a record in English legal history for a murder trial in which the Crown's case that he unintentionally shot Gregsten; had it been otherwise the indictment could not have been for capital murder. The victim was shot twice in the head at point-blank range; so close in fact that the entry and exit wounds could only be distinguished by the closest observation.

As to the matter of rape, that was never proceeded with. Had it been it might have been extremely difficult for the Crown to persuade the jury to convict. These are detailed matters with which one would have expected a lawyer interested in the question of capital punishment to be familiar. (Two important books

have been written on the Hanratty case.)

Quite apart from this there are very serious questions arising from the evidence of identification that cast grave doubt upon Hanratty's guilt. Ironically, if the trial had proceeded under inquisitorial rather than accusatorial rules, some of these doubts could have been before the jury.

Yours faithfully, TERENCE MORRIS, Professor of Social Institutions in the University of London, The London School of Economics and Political Science, Houghton Street, WC2.

Women in the ministry

From Dr J.M. Court

Sir, The Warden of Latimer House speaks of logic (Letters, April 27). The logic of his position seems to be that priesthood is a masculine role which is "falsely" the ordination of women. But that is the essential question.

The Anglican churches agreed "to respect each other's discipline in this matter." While this may mean that those who do ordain women should not force them on those who don't, should it not also mean that those who don't are prepared to recognise that those who do actually know what they are doing?

Yours faithfully, JOHN M. COURT, Faculty of Humanities, Queens College, University of Canterbury, Canterbury, Kent, April 27.

War, the breakdown of politics

From Professor Bernard Crick

Sir, Those who think of themselves as purely practical often make huge and uncritical assumptions and pluck deadly principles from stale air.

War is not an extension of diplomacy by other means, as Hanneke Arendt suggests. Violence is the breakdown of political power, not its extension. "Power", she said, "is acting in concert", presumably acting with and upon one's friends and allies, not going it alone out of pride or miscalculated strength. The worst thing about violence, quite apart from killing people, is that its effects are so unpredictable and uncontrollable.

Violence can be justified if, among other conditions, its means are proportional to the ends and if these ends are clear and realizable. With the sinking of the Belgrano and now of the Sheffield, we have lost any proportionality and the aims have never been made clear beyond "punishing aggression" or "getting the Argentine out", which everyone knows to be only part of a dilemma.

In politics and diplomacy one's hand is not always shown, but in war if the aims are not clear, not merely is justification prejudiced but also control of the actual combatants.

What are the official aims? We too seem to have made a non-negotiable, nationalistic god of (if it is still any use at all) the narrowly legal doctrine of sovereignty which may define what one can do but does not define what one can or should do.

Incarnation of "sovereignty" as a principle actually limits our power by tying our hands in politics and diplomacy. In terms of "sovereignty" the problem is, like Northern Ireland, insoluble; but there are times when we actually have more collective power without sovereignty, as the formation of the EEC shows.

"The interests of the Falkland Islanders" is more promising, if taken, indeed, alongside our own real interests and those of the Argentinians. Speaking of the doctrine of sovereignty, cried out to Lord North in his great speech "On Conciliation with America", "I care not if you have a right to make them miserable, have you not an interest to make them happy?" We can hardly make even the Falkland Islanders happy by slavish routes of patriotic death when our last shred of power lies in our reputation for diplomatic and political skill.

Real power lay in working with our allies in concert, as through the EEC and mounting pressure on the USA to control its other allies, not in a hollow show of strength that has only exposed (a) our lack of it and (b) the inherent unpredictability of violence.

It is both morally wrong and political folly to bluff and gamble with people's lives.

Yours sincerely, BERNARD CRICK, Department of Politics and Sociology, Birkbeck College, Malet Street, WC1, May 5.

From Mr Anthony Ramsay
Sir, As the storm gathers in the South Atlantic and within the two countries contending for the islands there, we can bear in mind that, alongside all the factors that have gone to make the situation what it currently is, there always remains at the same time the option of peace.

Having delivered a series of military blows to Argentina, it is possible for us to withdraw our forces from the immediate area at any time, to indicate that the search for a settlement means more to us than a military victory.

Now that the junta can be seen to have committed themselves, and the nation they presently govern, upon a course of opposing British arms despite the latter's superiority, there is presented the likelihood of growing bloodshed.

The political situation in Argentina is not of the happiest, either in regard to individual political freedom or, as now, over

access to important public information. There is also the possibility that the occupation of the Falklands occurred as a national attention diverter. Thus the internal difficulties of the country may be the cause of the international crisis.

If, however, Argentina is in any real sense a divided nation, it may be out of place to moralize our way into a position of inflexibility over her aggression upon the islands. This would be unreasonable on our part. This is not to advocate immediate withdrawal by Britain from the seas around the islands, but rather to point out that this peaceable option, as a matter of fact, always remains with us and should not be lost sight of at whatever stage. Inflexibility, resolve, failure of nerve and discretion are names which can blind us to this important fact. Otherwise a true and just peace becomes all too elusive if striven for solely by might of arms.

Part of the same nightmare is finding oneself hemmed in by considerations linked only to the logic of a closed situation, sure sign of which is repeatedly mediating "how we got ourselves in this fix". A nightmare is indeed our way and we should therefore take care to see it as such before becoming completely swamped in it.

Yours sincerely, ANTHONY RAMSAY, 6 Redcliffe Square, SW10, May 4.

From Mr W. O. Cole

Sir, Now, surely, the time has come for our Government to assume the diplomatic initiative in the Falklands crisis.

It should do this, first, because it, as potential "victor", should be magnanimous. Secondly, in a spirit of realism it should realize that for General Galtieri to sue for peace would be to guarantee his deposition and perhaps death.

He must, therefore, continue to fight. If he is replaced it will probably cause greater political unrest in South America and a world which art enlarges its government in the Argentine, to the disadvantage of Britain.

If politics is the art of the possible we might offer the following realistic terms:

- 1 Argentinian sovereignty in the year 2000.
- 2 UN trusteeship in the interim.
- 3 British administration to 1990 followed by a joint British-Argentinian administration to 2000.
- 4 British-Argentinian cooperation in the economic development of the Falklands and in the resettlement of any islanders who wish to leave before 1990.

These suggestions may not be instantly attractive, but solutions which seek to preserve the status quo will cost us more money and 3,000 troops permanently stationed outside Port Stanley must be rejected as illusory.

When, after the crisis, we begin to apportion blame we will, I hope, exonerate Lord Carrington realizing that he was but following the policy of successive governments which failed to realize that Gibraltar, Belize, the Falklands and other outposts of empire must look to their future in Spain, Central America, and the Argentine, not in England.

This lesson I am sure the Falklanders have learned. Others, including ourselves, must.

Yours faithfully, W. OWEN COLE, 134 Worcester Road, Chichester, May 4.

Parliamentary spies

From Mr Philip F. Nind

Sir, With activities in the South Atlantic moving towards outright war, we must assume the possibility of secret sessions in the House of Commons.

By contrast with the Second World War, the spying of strangers must now take into account all the electronic equipment installed for the broadcasting of parliament. May we be assured that an infallible cut-off point has already been installed? Yours faithfully, PHILIP NIND, Travellers' Club, Pall Mall, SW1, May 4.

Worship and doctrine

From the Reverend K.N. Bowler

Sir, With reference to Mr Frank Field's letter (April 16), I would be glad if he could go on and describe "the advantages (to the Church of England) of being the established Church".

After 20 years as a parish priest, I have been trying to discover them.

If he thinks it is the funds and the power of the Church Commissioners, I think he is mistaken. Our inability to deploy men and money where they are needed rather than where there is a building is but one example. The legal rights given to any parishioner irrespective of faith, belief, or practice means that many parish clergy spend too much time with non-church members and non-essentials.

We have reduced Christian sacraments to the level of social tradition, or at best "folk religion" for many people. They provide few pastoral opportunities. The truth is that establishment, and I support it, offers more to the state and social fabric than it offers the Church.

The established Church strengthens the position of the monarchy with the obligations placed on the Archbishop for coronation and other official tasks all to the benefit of the state. The establishment identifies one area of life that is specifically English and gives a focus to the local community. How often are we told by politicians that "the Church can help in this area"?

Name dropping

From Mr Jack Hobbs

Sir, Mr John Cope (April 28) includes my name in his list of allegedly un-Christian names. He allegedly knew, Sir, that I was christened Jack in church, and that this is the name on my birth certificate.

In addition, when signing my name (in Latin) on my College roll, there was no objection to the form "Jackus". I am, Sir, Yours faithfully, JACK HOBBS, Clevedon, Sid Road, Sidmouth, Devon, April 28.

THE ARTS

Television
Dramatic strength

Central's four-part series *I Remember Nelson* ended last night with a formidable piece of television. It dealt with the battle of Trafalgar and, true to the style of the rest of the series, did so from a highly specific and cunningly oblique perspective.

We saw the action solely on the lower gun deck and through the eyes of one William Blackie, a gunner. Necessarily this involved a great deal of documentary clutter on the workings of the guns and the routine of battle, as well as a long succession of violent deaths and horrific maimings, the latter being dealt with by appropriately gruesome surgery and the former by tossing the corpses over the side. But the episode succeeded in moulding this seemingly random, bloody chaos and detailed historical recreation into entirely satisfying drama.

It did so by playing Blackie off against Nelson. Yet this was not a crude general-against-infantry polemic — indeed the poor cannon-fodder were shown cheering with admiring with mystical fervour, their eyes gleaming with a sense that their pathetic conditions could be transcended. In addition Kenneth Colley's excellent Nelson, though indeed a study in arrogance, betrays only a faltering grasp of his own greatness, a quality demonstrated not by his words but by his distracted, drawn features. He appeared to know that something made the whole affair absurd but he could not be sure precisely what.

Hugh Whitmore, the writer, began by ironically playing off Nelson's last will and testament before the battle against a lower deck deal should either of the partners die. He then moved through the blood of battle, through the dawning horror on the faces of the gunners, the powder monkeys, through the pale shattered features of the padre, finally to Nelson's distracted resignation after a sniper's bullet had shattered his spine. Only Nelson had not changed; he lay dying still obsessed with his duty, still baffled by his obsession with.

Meanwhile Blackie has been wounded in the foot, and in his delirium struggles to a gun-port to see the sun. He passes Nelson at the moment of his death, attains the gun-port and sees only a pig swimming in the water before he is hit in the head. Whitmore concludes years later with Blackie in a home, his brain having been damaged by the shot. Victorian philanthropists visit and give him a sovereign in recognition of what he did for his country, but Blackie just turns to look, at last, at the sun.

Whitmore's — and indeed Central's — courage lay in avoiding the routine grind of a tele-drama-documentary. There was plenty of painstaking work by the props department in the creation of the hard-won strong enough to subjugate their efforts to the demands of the imagination. For all the research in the world is as nothing without Whitmore and Colley's delicious touch of having Nelson's last will and testament with the eerie calm of a man whose mind is elsewhere.

Bryan Appleyard

Theatre

Shaw out of control

Dear Liar

Mermaid

Snug in his writing hut down the garden Shaw enjoyed a flirtatious correspondence with a good many ladies. From Ellen Terry to Miss Goddard; but the only one of these exchanges that ever yielded a play was his 40-year ding-dong with Mrs Patrick Campbell.

Unlike his other paper relationships, this one tells a story. Shaw clumsily set himself down as a person to whom nothing ever happened, but something certainly happened between him and Mrs Campbell. He first met her in 1895, laid low with the illness which he emerged a married man. If Mrs Campbell had accepted his invitation and zoomed off to Hindhead to read for a fortnight, Shaw might have found herself in the role of Octavia. However, still reclining on the voluptuous lauric of Paula Tanqueray, she turned the upstart playwright down; and then they resumed contact, for the stormily farcical *Pigmalion* episode. It was as professional equals.

Not only that. Having missed his chance before, Shaw then in his late fifties — moved in on her with the crazed fervour known only to middle-aged might-have-beens. There followed his bungling descent on her Sandwich love nest, and his humiliating defeat. Caught with his pants down like the rest of us; overhead making secret phone calls; jilted at the moment of consummation; stripped of wit by the insult to his vanity, and thoroughly out of control.

Thereafter, the relationship underwent a long and extremely cruel reversal in which Shaw put on riches and celebrity like a prize marrow and Mrs Campbell lost the lot, winding up her wretched years in Hollywood as a fat, penniless, dog-obsessed exile cadging hand-outs from the man who continued to advance his

career by putting her into his plays. Jerome Kilby's adaptation of this story has had a long and well-deserved innings over the past 30 years, and Frith Banbury's production takes full advantage of its skill in transforming correspondence into dialogue. Bob Kingwood's set consists of a study and a dressing room, torn apart down the middle and separated by a blood-red boundary line. To each his own side, it seems.

But within minutes Robert Hardy is setting down on his knees to push letters under her front door, and when the show really gets going they are in and out of each other's territory like Lancashire neighbours. The letters are amplified with a few link passages, which strand the performers unhappily between narrative and character, and two symmetrically placed scenes from *Pigmalion* and *The Apple Cart*. The first of these shows Mr Hardy plausibly tearing his hair out in the attempt to get his leading lady to talk common. The second is dramatically electrifying, as it shows Mrs Campbell as herself and as Orlinda, simultaneously longing for the part and outraged by it. All these volcanically conflicting elements are marvelously compressed in Sian Phillips's performance.

As Mr Kilby rightly specified, there is no disguise in impersonation. The partners come on in roughly appropriate costume and present the relationship without trying to evoke the historical figures. Miss Phillips is much the more detached of the two. She indicates Mrs Campbell's grief at her son's death, or her wily attempt to extract favours out of Shaw, while holding the character firmly at arm's length. Every point is made with commanding clarity, but without conjuring up the seductress or the monster theatre.

Mr Hardy opts for a light brogue which serves him well. He indicates Mrs Campbell's awareness of the explosions of torrential fun and fury ("I absolutely refuse to play the horse any longer to your Lady Godiva") but in the extraordinary meditation on his mother's cremation,

and the wartime explosions of blind anger. He also ages with pitiless realism from the crackerjack Joey into the slumped, nodding Pantaloon.

Irving Wardle

P. G. Wodehouse

Olivier

The thing to do with the scrivener Wodehouse is read him. Talk about him in a pub, certainly. Catch his stuff on the stage, on silver screen, when available of course. But, take them for all in all, the chap's words between hard covers are the real tabasco. Accept no substitutes. Still, it is right and proper for the National Theatre to remind us in the centenary of his birth that between 1916 and 1924 he was the sweet singing thrush of 49th Street, writing the lyrics for Guy Bolton's books and Jerome Kern's music. He wrote 33 musical comedies, and at one time had five of them running simultaneously on the Great White Way. Writing lyrics was like eating salted almonds for Plum. He could always manage another one.

So in a platform performance on Tuesday enter David Ryall in a wig like a hard-boiled egg and an amiable expression, with antique desk, a decanter of the brown stuff and other writer's tools. In the master's words he recited those early days of musical comedy, of hair's breadth escapes with the imminent deadly producer, triumphs and flops. He had business with his pipe and a trick of scratching his ear with his little finger that were worth many millibars of atmosphere.

At intervals Mark Bond, Robert Ralph, Sally Cooper and Imelda Staunton came hooping on to belt out lyrics that rhyme "prune" with "June" or "neuralgia" with "nostalgia". The National Theatre has had practice lately with its period New York accents and movements. The celebration was devised and directed by



Pitiless realism, commanding clarity: Robert Hardy and Sian Phillips in "Dear Liar"

Robert Ralph, and will be repeated on May 21. If not exactly all spoofed up with hip and vinegar, and certainly not with angst and relevance, it is full of irresistible charm. A very agreeable hors d'oeuvre of the main business of the evening, which is, of course, to be carried up with a fruity volume from the master's oeuvre.

Philip Howard

A Gentle Spirit

Shaw

Jules Croisset is a Dutch actor of renown. His adaptation of Frederic Dostoyevsky's short story *A Gentle Spirit* is an exceptionally successful Dutch theatre piece, a play for one man. Speaking it in English, in his own version with the assist-

ance of Barrie Keefe, he is deprived of the absolute command of nuance that distinguishes a great actor. What comes through is something less than a great performance, but the potential of the actor is clear and his accented dynamism is evocatively Russian. He speaks alone for two hours. With the covered corpse of his wife on the stage, he portrays a Russian pawnbroker who is trying himself before a jury that is the audience. It is a jury of his own creation, for there has been no crime, unless suicide is a crime that involves others. In Dostoyevsky's reasoning, it is just that, but the jury is the man himself and Mr Croisset constantly confronts the seriousness of his own accusation of sound despite the low dramatic self-examination, he is too tragically channelled. The story has engrossing strengths of its own.

Ned Chaillet

Concerts

LPO/Tennstedt

Festival Hall

As keen record-collectors are aware, the London Philharmonic Orchestra are currently recording all Mahler's symphonies (what about the tenth, I wonder?) under their principal conductor designate, Klaus Tennstedt. During his present spell with them, they will record the fourth symphony, and this they performed together on Tuesday on the South Bank, with Felicity Lott as their golden-voiced, artfully artless, soprano soloist in the last movement.

Tennstedt's readings of Mahler have been rapturously received, and this account of No 4 was equally memorable. Its chief distinction seemed, not altogether superficially, to reside in the conductor's scrupulous attention to special effects, here a cymbal, there a bass drum, now the double basses' pizzicato, or a particularly

pungent combination of woodwinds. Tennstedt interpreted the score as if he were examining it under a magnifying glass.

Now and then some passage sounded like a caricature of itself, but almost always the score showed that Tennstedt was not exaggerating: that was actually what Mahler wanted. There was a good measure of spiky humour in the fourth symphony, starting with the mimicry of sleighbells and ending with the peasant child's imagination of life in Paradise, each little scene quickly (do not mean archly) underlined in the music for the poem.

Good Mahler conductors respect this aspect of the piece. Tennstedt more acutely than most, as if surveying it all through the literal-minded fancied children, who often embellish their stories with weird incidental detail. He had taken pains, not only with dynamics and tone-colour, but also with Mahler's phrasing, here

unusually dapper, and with the structural gearing of consecutive sections.

The first movement began with a gigantic ritenuto into the first melody, thereafter requiring no more than gentle pressure on the brakes; in many transitions, he set the new tempo without preparation, and the effect was both brilliant and startling. — the LPO's response was exceptionally keen, give or take a fluff.

The slow movement was properly the symphony's great point of heavenly repose, unfolded with superlativity, but not at all mindless to drag. As admirable was the continuity of the development, as if uttered in one breath, and the sheer vivacity of the finale's inception.

Before the interval, Tennstedt and the LPO strings had treated us to an eloquent, intense reading of Schoenberg's descriptive tone-poem *Verklärte Nacht*, emphasizing the wan moon-

light of the poem's scene, as well as the sumptuous lyricism and the exquisite delicacy of the "transfigured night" in which the story ends.

William Mann

Schola Cantorum

St John's

Twenty years or so ago, the Schola Cantorum of Oxford made a record of Tavernier's *Mass Corona Spinea* which I still treasure. Hearing them on Tuesday, it was as if time had stood still. There was that same undergraduate omnivorous in their voices, but more important, the same nervous eagerness which propelled that earlier performance along relentlessly was also there. This time, though, heartily encouraged by the confident direction of their conductor,

Ivor Bolton — shortly to take up a post at Glyndebourne — the choir's natural impetuosity was stimulated with Venetian music.

Cavalli's *Mass Concorde*, like many pre-classical mass settings, reserves its best moments for its shorter movements. For all the variety of the composer's double choir scoring, which includes testing solo parts, he frequently lost my interest in the "Credo" and "Gloria", and there is some irritating word-painting, for example at "Et in unum Dominum", set to one repeated note, and the predictable sequential treatment of "Descendit de caelis". The singers did well to keep us awake until the more mellifluous music of the final movements recalled the awful simple grace of the operas.

Mr Bolton's singers responded with sharp reflexes, if occasionally overstretched techniques, to his searing pace in Monteverdi's *Beatus*

Vir and the seven-voice *Gloria*, both from the 1640 collection *Sette Morale a Spirinale*. Generally, the soloists sang stylishly, their ornamentation the more effective for its relative modesty. In the *Gloria*'s homophonic passages there was an impressive firmness of sound despite the low demands from the basses, vividly setting off the dancing semiquaver phrases.

Nearly fitted between these two works were a pair of motets by Giovanni Gabrieli, both from his 1615 collection and both, like the Cavalli, requiring the spatial separation which St John's could not offer. No matter, for the decorative textures of "O Jesu mi dulcissime" and "Deus in nomine tuo" were clearly delineated yet roundly sonorous, reflecting the full splendour of Venetian music tantalizingly poised between the ages of renaissance and baroque.

Stephen Pettitt

Opera
The Queen of Spades

Gardner Centre, Brighton

During the orchestral introduction to New Sussex Opera's Brighton Festival production of Tchaikovsky's *Queen of Spades*, the masked ball, doomed gambler-lover, slumps isolated and spotted downstage, watched in the dark by tiered galleries of onlookers. This chilling tableau of the opera's end in its beginning epitomizes the individuality and consistency of the director Nicholas

Hytner's unashamed acknowledgment of Tchaikovsky's melodramaticization of Pushkin's dark, laconic story, its sentiment and hysterical fatalism (the fifth symphony lurks there in the wings).

No expense of resource or energy is spared on the big set-pieces: vividly staged and galvanized by Stephen Barlow's tautly dramatic musical section, the masked ball, the masque scene project proudly the amateur chorus's alertness and strength. Yet despite the strong sense of physical involvement between stage and auditorium in the Gardner Centre's small theatre, exploited by Kit Surrey's severe, economic yet forcefully thrusting sets, little can prevent us from being held in arm's length — emotionally from this near-caricature of an opera. Especially when, in David Hillman's Herman, histrionic in voice and movement, we have a hero whose destructive passion shows little development and little sympathy. (He takes turns in the part with John Treleven.) It was a powerfully sustained performance though, and the

way his savage words, rather than the sight of the drawn pistol, are made to kill the production.

This confrontation scene was a gripping pivot. Maxine Morrell, an unforgotten Mrs Sedley last year, fleshed out the sinister spectral figure of the Countess with all the pathos of sensibility as she recalled her former liaisons. She was a match for Patricia O'Neill's intense Lisa, suitably heavy with dark-hued passion, colourfully supported by Anne Marie Owens's sturdy, resonant Polina. Tchaikovsky's deliciously singable ariosos and arias were enjoyed no less by Eric Roberts as an enigmatic yet properly aristocratic Prince Yevlasky and William Shimell as an outstanding Count Tomskey, glowing and alive to every detail of his part. But as in Boris and Grimes of previous years, this was the community's production and it is to the orchestra, the adult and children's choruses all rigorously and inventively trained, that the highest praise must go.

Hilary Finch

FOR SALE
MUSICAL INSTRUMENTS
VIOLIN BY FRANCOIS LUPOT 1773 (BILL CERTIFICATE)
CELLO BY NICOLAS VUILLAUME 1801
GITTERN BY KRAFT 1780. HURDY-GURDY BY PAJOT 1820
AND OTHER UNUSUAL COLLECTOR'S ITEMS
IN SPRING SALE, MAY 12th, 1982
GALERIE KOLLER ZURICH
Rämistrasse 3, 8024 Zurich, Tel. (01) 47 50 40 — Telex 58300

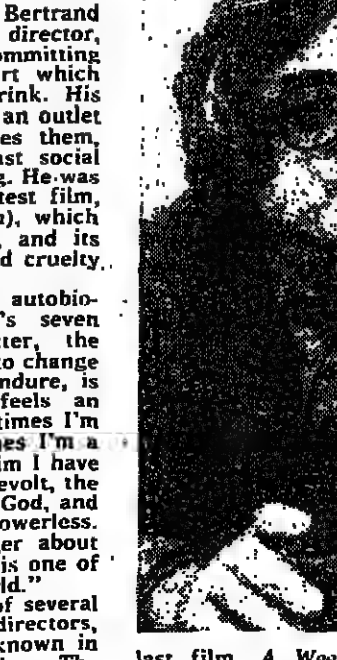
LOUIS MALLÉ'S
MY DINNER WITH ANDRÉ
A unique and provocative film.
written by and starring
ANDRÉ GREGORY
and WALLACE SHAWN
CATA BLOODSWORTH
827-8402 827-1777

Interview: Bertrand Tavernier

Reflecting upon one's inner terrors

"Making films is, for me, a way of not killing people. I have often wanted very strongly to kill people." Bertrand Tavernier, the French film director, insists he is capable of committing murder. Fortunately it is art which pulls him back from the brink. His films, he says, are cathartic, whether it is directed against social injustice, religion or suffering. He was angry when he made his latest film, *Clean Slate* (*Coup de torchon*), which opens at the Curzon today, and his work is not only violence and cruelty, reflects his own inner terrors.

Clean Slate is the most autobiographical of all Tavernier's seven films. The central character, the policeman Cordier, who kills to change a world he can no longer endure, is someone with whom he feels an ambivalent sympathy. "Sometimes I'm completely for him. Sometimes I'm a bit frightened of him. Like him I have felt humiliation, a desire to revolt, the need to destroy and provoke God, a terrible sense of being powerless. Most of all I have felt anger about arrogant stupidity. I think it is one of the deadliest things in the world."



Tavernier, now 41, is one of several notable younger French film directors, but his work is not widely known in this country. His first film, *The Watchmaker of St Paul*, was highly regarded but it was the first of a trilogy whose complementary parts, *Let the Party Begin* and *The Judge and the Assassin* have never been shown here. Neither has *Spotted Children* although *Deathwatch*, made in English, and *A Week's Holiday* have been distributed.

Tavernier blames the old-fashioned and conservative attitude of the distributors. "They never try to get involved with European cinema, they always turn to America. In England you have been colonized by American films."

A former film critic and publicity officer for the producer Georges de Beauregard, Tavernier learnt his craft working with directors like Godard and Chabrol. He enjoys taking both actors and audiences by surprise. "After my

last film, *A Week's Holiday*, I was immediately labelled 'The great humanist'. So I decided to destroy that image. I wanted to show the anger and fear I felt inside."

The vehicle he chose was *Pop. 1280*, a novel by the American writer Jim Thompson set in the American Deep South in the 1920s. Tavernier first read the book in 1966 but had to wait 11 years before the rights became available. "I had a great shock when I first read it. There was a mixture of violence and black humour, not a very comfortable humour, but one which gets to the nerves of things."

Reluctant to make an "Americanized" French film, Tavernier spent considerable time searching for a French setting that would not distort Thompson's images and ideas. Eventually he came up with a town in French Colonial Africa in 1938, infected by growing fear about the outbreak of

war. "We made the picture in Senegal in just eight weeks. About fifty per cent is new material written by Jean Aurenche and me, but I hope the voice is still Thompson's. I suppose *Clean Slate* is the first — if you get the pun — black film noir."

Tavernier tried hard to avoid the seductive dangers of the picturesque. "If you think of all the films you've seen set in Africa, you realize that as soon as a character goes outdoors hordes of animals — giraffes, zebras — go running past. I was determined to avoid the exotic. In my film the only animals you see are goats, dogs, chickens. Life in Africa was very much the same as in France. Reading the diaries of Andre Gide, I was struck by the absence of the exotic. He writes that he had mutton stew for breakfast every day."

Clean Slate is the fourth film Tavernier has made with the actor Philippe Noiret, who plays Cordier. He has, he says, an extraordinary, almost telepathic, relationship with him. "Often we don't need words to communicate. He supported me when I had made no films, when I was nothing. I owe him everything." He has also used Isabelle Huppert, to whom he gave her first part, in a way which will surprise devotees of *The Lacemaker*. "I wanted to use her quite differently. I forced her to work instinctively. She was very afraid of the film. I love it when she laughs — she has always been frightened of doing that."

Brought up as a Catholic, now a lapsed Trotskyist, Tavernier cannot decide whether *Clean Slate* is a religious or anti-religious film. "It is in a sense the first screenplay to be dictated by God. The film says: 'If there are things in life which hurt you, complain to God about them'. Cordier puts temptation before people and does what they want him to do. He never tries to make things happen. He is a little like God. Catholic teaching says: 'There is the apple. You are free to eat it or not'. That's bullshit. If you are hungry you will eat the apple. You don't have a choice."

Jane Ellison

Dance
Second Stride

Playhouse, Oxford

I wonder whether historians will consider this week's performances by Second Stride at the Playhouse, Oxford, as crucial as the week's performances at the same theatre 44 years ago by Antony Tudor and the London Ballet? Perhaps not; yet a venture that brings together three of our best choreographers to start a new company must be important.

It makes sense that the present intentions are limited in duration. Between now and the end of August the company will tour Britain, a week (June 8 to 13) at Riverside Studios, visit the United States for performances at several important centres then dissolve after a week at the Edinburgh Festival. By concentrating their resources in this way they ensure high standards, and they can consider regrouping for further activities once the results are known.

Tuesday night's opening programme included works by all three choreographers, Richard Alston, Siobhan Davies and Ian Spink. One was a premiere, the others coming from their individual repertoires. The completely new work is *Rushes*, created by Davies to a score for solo pianist of a score for solo pianist, comprising his favoured rushes of separate notes.

That is one possible interpretation of the title. Davies's choreography also contains moments of rushing from place to place by its six dancers, contrasting with the others when they adopt static poses. I think these last, in conjunction with the film strip in David Buckland's backcloth, imply another meaning of the word as used in the motion picture trade, and it would not surprise me on seeing the work again to find that it also has some allusion to the riverside kind of rushes.

The exact meaning of the work, consequently, is a little elusive, but that does not detract from its interest. The movement is interesting for its own sake (and, for all I know, that may be all that Davies intends); the allusive adds a touch of mystery that helps encourage attention.

Davies and Juliet Fisher danced the short work which Alston made for them two years ago, *A Field of Music*, in which Vaughan Williams's *Six Studies in English Folk-song* for cello and piano accompany mainly solos implying a sudden shift in the relationship between two friends. That was the only music on this programme not specially composed.

Of the two works by Spink on this programme, I was especially taken by *De Gus*. The choreography, like the title, is based on puns: adapting poses from Degas's pictures, especially of domestic scenes, into movement, and making them quickly funny by having the deshabille and the household chores transferred from women to men. Jane Wells's score, for recorded tape and on-stage oboist, is equally good; Christopher Yate's happy participation in the action reinforces the effect of his playing.

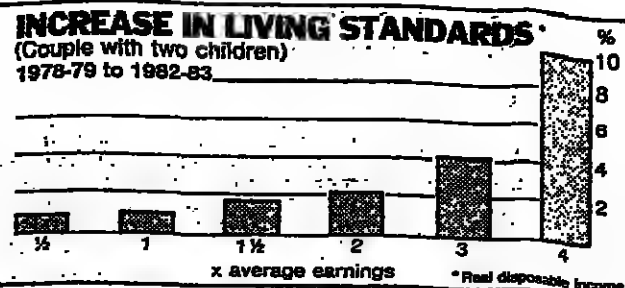
John Percival

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Falklands Uncertainty

ACCOUNT DAYS: Dealings Began, April 30. Dealings End, May 14. § Contango Day, May 17. Settlement Day, May 24.
§ Forward bargains are permitted on two previous days.

[illegible]



Four consecutive Conservative Budgets have left the lowest paid workers barely better-off than in the final year of the last Labour government, while the highest paid have improved their living standards by nearly 10 per cent. The figures in the chart, compiled by the Treasury in answer to a parliamentary question, are based on take-home pay plus child benefit and family income supplement where appropriate, adjusted for inflation.

STOCK EXCHANGES

FT Index 575.4 down 8.8
FT 100 67.67 down 0.31
FT Allshare 328.52 down 4.03
Bergains 18,049
Tokyo: market closed
Hongkong: Hang Seng Index 1,316, down 3.16

INTEREST RATES

Base rates 13%
3 month interbank 13 1/4%
13 1/2%
Euro-currency rates
3 month dollar 14 1/2-15
3 month DM 8 1/2-8 3/4
3 month Fr 23 1/2-22%

PRICE CHANGES

Lloyds Bank 396p down 7p
Thorn EMI 420p down 12p
Lamson 342p down 13p
General Accident 288p down 10p
British Sugar 495p down 10p
Smith St Aubyn 340p down 4p
Tocal 37p down 3p
Trident TV (A) 78p down 4p
Unilever 609p down 8p
P & O 144p up 5p
United Scientific 341p up 11p

Invergordon rescue plan

Final details of a new rescue plan for the Invergordon aluminium smelter are unlikely to be completed until next week, despite the plan's approval in principle by the Cabinet's key economic committee last Tuesday. The plan involves offering a cheap power package based on subsidized coal to potential buyers of the plant, shut by British Aluminium shortly after Christmas with the loss of nearly 900 jobs. Whitehall officials stress that the Scottish Office package still has no guarantee of being acceptable to the four or five companies interested in Invergordon.

'Call up' ships payment

P & O has received a down-payment of £1.25m from the Government after the requisition of four ships, including the Canberra, for Falklands duty. Talks on full compensation are continuing and the Ministry of Defence is being billed monthly. Meanwhile, P & O pretax profit last year fell from £47.07m to £40.95m. There was a strong recovery in the second half after profits had slumped from £12.9m to £729,000 at the interim stage. The total dividend rises from 8p to 10p. Lord Inchcape, chairman, forecasts improved results this year.

Manager 'exploited' singer

A High Court judgment has effectively made null and void earnings estimated at £3m made by Management Agency and Music through its association with singer Gilbert O'Sullivan. Mr Justice Mansfield said that the singer had been exploited by Mr Gordon Mills his former manager, chairman of MAM. He awarded Mr O'Sullivan the copyright of his songs, with records, master tapes. In his judgment the judge said that between 1970 and 1978 Gilbert O'Sullivan records had grossed about £14.5m — from which Mr O'Sullivan made about £400,000 before tax. The MAM board says it has been advised to appeal.

Chequepoint checks fraud

Chequepoint, which runs twelve late night cheque cashing branches in central London, is reporting for fraud around 30 or 40 holders of stolen cheque cards each month, saying the high street banks an estimated £250,000 a year. On average each bank branch could expect to spot just one stolen cheque card a year. "Our counter staff are always on the lookout for potential fraud", Mr Anthony Hutton, chief executive of Chequepoint, said. Cashiers are also trained to spot counterfeit notes.

Imports attack

Britain must cease being the soft market for the so-called developing world and action was needed against countries which blocked imports of British goods by crippling duties while having free access to the United Kingdom, Mr Geoffrey Moore, Society of Motor Manufacturers and Traders president said in London yesterday.

More UK oil

The United Kingdom produced 19 per cent more oil than it consumed in the first quarter of this year, the largest surplus yet in seven years of North Sea output, according to Department of Energy figures published yesterday. Output was up by 7.5 per cent on the year before to 23.5 million tonnes.

THE GOVERNMENT was urged by Mr Walter Goldsmith, director-general of the Institute of Directors, to give away loss-making nationalized industries. He told a London conference the private sector should be paid to remove the burden of loss-makers on public funds.

SNOOKER club groups Riley Leisure and Lucania Snooker Clubs are planning to join forces in a deal worth £3.1m. Riley has agreed terms to buy Kensa House Investments, owner of the 16-club Lucania group.

UNIONS were warned yesterday by Mr Ian Kelsall, director of the Wales CBI, that a "wages spree" would have a catastrophic effect on jobs and severely hamper the slow industrial recovery.

CURRENCIES

The pound ended stronger against a weaker dollar but lost ground against continental currencies in the wake of Falklands developments. The dollar fell sharply on expectations of lower interest rates in the short term.

LONDON CLOSE

STERLING
\$1.0806 up 95 points
Index 80.5 down 0.5
DM 4.1875
Fr 10.9250
Yen 4.2400
DOLLAR
Index 112.6 down 0.9
DM 2.3180 down 250 points
GOLD
\$336.50 down \$6.00

Financial markets roared nervously yesterday to British losses in the South Atlantic late in Tuesday and business was dominated by unconfirmed rumours.

The pound fell sharply in erratic trading against continental currencies, though it finished stronger against a weaker dollar, while Government stocks and shares also lost ground.

The Treasury's announcement that Britain's gold and currency reserves fell by \$810m last month to their lowest for more than three years had relatively little impact.

The pound fell to \$1.7950 at one stage yesterday before finishing in London at \$1.0806, nearly a cent up from Tuesday and its highest for six weeks. But the index measuring its wider international value dropped 0.5 to 80.5 per cent of its 1975 level, reflecting falls against European currencies such as the Deutschmark.

The dollar was hit by lower short term interest rates and expectations that rates are likely to fall further in the

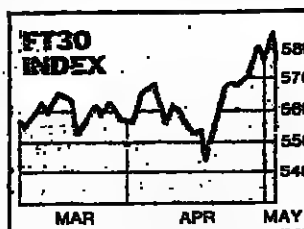
short term, now that the April bulge in the money supply has passed without a tightening of credit policy by the United States authorities.

Against the Deutschmark the dollar tumbled 2 1/2 pence to DM 2.3180, a fall of nearly 8 pence in just two weeks.

The drop in Britain's official reserves left them standing at \$18,159m (£10,105m) at the end of April, their lowest since March 1979. After adjusting for loan repayments and valuation changes the underlying fall — a rough guide, to Bank of England intervention in foreign exchange markets to steady the pound — amounted to \$394m.

Though substantial, this suggests that intervention following the Falklands invasion has been on a smaller scale than last autumn, when sterling threatened to collapse.

Loan repayments from the reserves last month included \$106m of the International Monetary Fund Oil Facility, half of which was an early repayment. This brings



Britain's outstanding debt under this facility to SDR 155m (Special Drawing Rights) — about £97m — from the original SDR 1,000m drawn in 1976.

The Government also repaid \$202m of five-year foreign currency bonds, issued in 1977 to encourage unwilling overseas holders of official sterling balances to keep their money in Britain.

The reserves were also affected by net repayments of public sector borrowing under the exchange cover scheme of \$69m, and a revaluation fall of \$77m.

Yesterday's uncertainty, Tuesday's on the stock market looked overdone, and in tight trading shares were

marked down, particularly in the industrial sector. But by the close some shares were recovering and the FT 30 index closed down 8.8 at 575.4, compared to 570.1 at 10 o'clock.

Gilt were down about half a point in the long and medium sectors of the market, and shorts recovered at the end of the day to be down about a quarter.

In the United States institutional investors have moved back strongly into Wall Street after the profit-taking and nervousness seen earlier in the week (Nicholas Hirst writes).

In heavy trading the Dow Jones industrial share average by noon was up 4.28 at \$88.73, following a rise of 5.42 to \$84.45 at the close yesterday.

The market is now shredding off bad news, ignoring the Falkland Islands crisis and the lack of a compromise on the United States budget to continue the long rally which began seven weeks ago.

No sign of recovery, CBI says

By Edward Townsend
Industrial Correspondent

Employers' leaders again clashed with the Government yesterday over the prospects for Britain's economic revival. There was, said the Confederation of British Industry, "still no evidence of any noticeable recovery in activity."

The CBI's April industrial trends survey of 1,695 manufacturing companies shows that demand remains flat and nine out of ten companies expect output to be constrained in the coming months by a shortage of orders or sales.

The only bright spots are a marginal improvement in business optimism and a rise in profitability and a more widespread improvement in corporate liquidity.

The CBI's stark message contrasts sharply with the recent pronouncement from Sir Geoffrey Howe, the Chancellor of the Exchequer, that a modest and reasonable broad-based economic recovery was under way.

But Sir James Clesington, chairman of the CBI's economic situation committee, said yesterday: "Government ministers are looking on the bright side, which I would do, but I am a politician. But overall I do not think that there has been a coming off the bottom of recession that the Chancellor would like us to believe."

"A further and sustained reduction in interest rates as soon as possible and a continued fall in pay settlements are needed to bring about the improvements in competitiveness so necessary for increased demand and the creation of new jobs," he said.

The survey indicates continued extensive falls in manufacturing employment and the CBI estimates that the job losses will average 15,000 a month up to July. This would confirm its forecast that unemployment will reach a peak of 3.250 million.

Twenty-four per cent of companies are more optimistic than they were four months ago, despite the uncertainties over the deepening Falklands crisis.

CBI leaders later joined with government ministers in criticising the National Economic Development Office and Mr Geoffrey Chandler, its director general, for the absence of practical proposals in a report submitted to the NEC on future industrial policy.

The report which is to be broadened in scope to include firm recommendations and put to the council later in the year was described by Mr Patrick Jenkin, the Secretary, as like "wrestling with cotton wool."



Graham Ferguson Lacey

Lacey resigns as Cook makes £9m NCC bid

By Philip Robinson

Mr Graham Ferguson Lacey, the 33-year-old financial adviser who tried to turn the former Rexco fuel company into a leading mineral and oil exploration force as NCC Energy, has resigned as its chairman and chief executive. With him has gone his life-long partner, Mr Cecil McBride.

Their departure was announced last night by Cook International, America's second-largest pet controller, as it unveiled a 25p share takeover bid for NCC, valuing it at £9.2m. In the past two months NCC has had a stock market price tag of £41m.

Cook has also instituted the terms of a "put" option in NCC shares which could mean that Mr Ferguson Lacey and Mr McBride face a personal liability of £4.5m.

Cook was given 3 million NCC shares as collateral for a \$6.7m loan which enabled NCC to buy more shares in the American group, Simplicity Pattern, where Mr Ferguson Lacey was chairman.

Under the terms of the option, Cook could insist that Mr Ferguson Lacey and Mr McBride buy back the shares at a £1 each, plus interest on the loan. It was still unclear last night whether Mr Ferguson Lacey and Mr McBride were individual parties to that agreement or whether they share a combined responsibility to buy back the shares.

Mr Ferguson Lacey, whose plush headquarters in London's Buckingham Gate were being occupied last night by Cook's chairman, Mr Edward Cook, was said to be unavailable for comment.

Simplicity Pattern refused to comment yesterday on whether Mr Ferguson Lacey was still its Chairman. His position and the majority of the NCC directors on the Simplicity board, arose from NCC's 20 per cent holding. Mr Ferguson Lacey was negotiating the sale of that holding — a major factor in the NCC balance sheet — when he heard that a takeover bid for his company had been made.

Cook has now ordered a thorough investigation of NCC's finances covering its business activities, assets and liabilities, by accountant Peat Marwick Mitchell. Peat Marwick has already been appointed receivers to Mr Ferguson Lacey's private investment vehicle, Birmingham and Midland Counties Trust Holdings, which has not filed accounts with Companies House since 1980. It is controlled by Mr Ferguson Lacey and Mr McBride through a charitable trust, the Cecil Foundation.

The receivers said last night they were still waiting for updated figures on the Cecil Foundation and BMCCTH.

Profitability at CWS the highest trading entity in the Co-op movement with £1,900m turnover, arose from improved profits in some trading divisions, including funeral services and optical manufacture, Mr Landau said.

Sainsbury results, page 18

WHITEHALL BACKS NEW TECH FIRMS

By Bill Johnstone

Mr Patrick Jenkin, Secretary of State for Industry, last night reaffirmed the Government's intention to favour the new technology industries instead of supporting what he terms the "casualties of the past".

He announced the Government's commitment in a speech last night at the annual dinner of the Electronic Engineering Association.

Jenkin said: "When I took over at the department and asked for a breakdown of our spending, I was astonished to learn that no less than half my budget goes to support the casualties of the past. I am determined to change that."

He emphasized that the current trade deficit of about £230m in information technology goods, highlighted last week in a report by the National Economic Development Council was totally unacceptable.

"The electronics industry and the Government must address themselves urgently to what needs to be done to stop it happening," he said.

Another report prepared for the NEC also stresses the growing trade gap in consumer electronics.

Hungary wins membership of IMF

From Bailey Morris, Washington, May 5

Hungary has become the second Soviet Block country to join the International Monetary Fund. An IMF spokesman said Hungary's membership application was approved by a wide margin by the 145 member countries including the United States. The Reagan Administration has been less supportive of Poland's still pending IMF membership application.

A high-level delegation of Hungarians led by Mr Jozsef Marjai, the deputy prime minister, has been in Washington for almost a week for talks with both the IMF and the World Bank.

Now the IMF application has been approved membership in the World Bank is expected to follow quickly.

In addition to approving Hungary's application, the IMF has also taken steps to ease the growing financial pressures on Romania, already a member organization, by lifting a five-month suspension of its borrowing capability.

Last November, the IMF suspended Romania's access to a \$1,300m (£72m) line of credit because it failed to carry out certain, specified economic reforms and it was falling behind in repayments to Western banks and companies.

The Romanian government has been attempting in recent months to refinance an estimated \$2,300m in debt repayments due this year to more than 300 Western banks. Romania became the first Soviet Block country to join the IMF when its membership application was approved in 1973.

In taking the decisions of admitting Hungary and providing financial support to Romania, the IMF has provided important psychological and practical support to the two Communist nations.

Business Editor
General Accident's chilling tale

Judging by yesterday's appalling results from General Accident, the first quarter of this year is going to be one of the worst periods ever for the industry, and forecasts for Commercial Union, which reports next week, have already been downgraded to losses.

The severe winter weather was the main reason for General Accident's £30m turnaround to pretax losses of £11m. In the United Kingdom alone, weather losses are put at £20m — far higher than anyone expected — and the overall underwriting loss at £54m was not only three and half times more than in the first quarter a year ago, but larger than for the whole of last year.

But if the weather losses can be described as exceptional, the rest of the picture is almost as gloomy. General Accident like any other, is still being squeezed by low premium rates, caused by the fierce competition and overcapacity in the industry, and heavier claims. An underlying 18 per cent rise in investment income in the first quarter has proved hopelessly inadequate compensation.

In the United States the first quarter operating ratio has deteriorated from 106 to 111 per cent and results from all the other main areas worsened by varying degrees.

Yet, in the past six months, all the headlines have revolved around ships, hence the share price gyrations on rumours of bids from Chinese owners, strikes at Southampton.

A conglomerate, then, with shipping interests, P & O remains fixed in the City's eyes as a shipping company which makes a pitance from the trade. Last year the group's net figures cast real doubt on the consensus that output will rise by about 1 1/2 per cent this year.

P & O Mixed picture
Whatever the public thinks, P & O remains fixed in the City's eyes as a shipping company which makes a pitance from the trade. Last year the group's net figures cast real doubt on the consensus that output will rise by about 1 1/2 per cent this year.

Oil profits fell from £17.2m to £10.6m due to deregulation in the United States, over-capacity and conservation. But Bovis profits jumped from £2.3m to £6.8m, despite the construction slump, and other divisions made useful contributions with the exception of ferries. At least the losses here were down from £8.1m to £6.7m — and a further cut is expected this year after 15 per cent price rises.

The sale of bulk cargo ships will continue, leaving the group to concentrate on its interest in specialist container vessels. Debt is down from a peak of £420m to £270 — including a £10m fall in the latest year and gearing is a conservative 30 per cent. Profits in 1982 could touch £50m and the current share price of 145p, up 6p, compares with a probable net asset value of around 400p.

CBI Survey
The calendar tells us it should be spring but the CBI's survey of trends shows, at first sight at least, a uniformly bleak and wintry landscape. Look closer at the answers, however, and it is just possible to see the occasional late snowdrop trying to burst through.

Some industries are showing signs of increased output, including the hard-hat engineering sector. All companies seem to be sharing in an improvement of liquidity and the improvement in productivity goes on apace.

Last, but perhaps most important for the economy as a whole, there are signs

that business confidence is rising, even if orders are not.

Those are the bright spots for industry. For the Government, the good news is that inflationary expectations are obviously cooling. There is now less risk of a sharp upward burst in prices when output picks up, although cynics may feel that this is partly because output shows little sign of recovering.

For the rest, the figures are a grim reminder that so far recovery has been painfully slow for most of Britain's industry. But nothing in the latest set of figures casts real doubt on the consensus that output will rise by about 1 1/2 per cent this year.

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Last, but perhaps most important for the economy as a whole, there are signs

that business confidence is rising, even if orders are not.

Those are the bright spots for industry. For the Government, the good news is that inflationary expectations are obviously cooling. There is now less risk of a sharp upward burst in prices when output picks up, although cynics may feel that this is partly because output shows little sign of recovering.

For the rest, the figures are a grim reminder that so far recovery has been painfully slow for most of Britain's industry. But nothing in the latest set of figures casts real doubt on the consensus that output will rise by about 1 1/2 per cent this year.

Yet, in the past six months, all the headlines have revolved around ships, hence the share price gyrations on rumours of bids from Chinese owners, strikes at Southampton.

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Oil profits fell from £17.2m to £10.6m due to deregulation in the United States, over-capacity and conservation. But Bovis profits jumped from £2.3m to £6.8m, despite the construction slump, and other divisions made useful contributions with the exception of ferries. At least the losses here were down from £8.1m to £6.7m — and a further cut is expected this year after 15 per cent price rises.

The sale of bulk cargo ships will continue, leaving the group to concentrate on its interest in specialist container vessels. Debt is down from a peak of £420m to £270 — including a £10m fall in the latest year and gearing is a conservative 30 per cent. Profits in 1982 could touch £50m and the current share price of 145p, up 6p, compares with a probable net asset value of around 400p.

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MARKET SUMMARY

Falklands uncertainty depresses shares

Uncertainty about the outcome in the South Atlantic can be translated into political uncertainty which the market dislikes above all. That is why yesterday saw a reversal of Tuesday's rally.

But leading brokers remarked that the market did not feel as depressed as the index made it appear. The manufacturing companies in the index were down quite heavily, as recent rises were judged to have been against the background of the stagnant British economy.

So Turner & Newall was down 3p at 66p, ICI fell by 6p to 320p. Vickers dropped by 3p to 163p.

The market had come on the bottom before the close of the day. The opening index showed a fall of 14.1, it rallied to a level down 8 points by noon, came back to a fall of 10 points at 3 o'clock and recovered to a drop of 8.8 on the day by 5 o'clock. There was a low volume of trading, although those lines that were around were said to have found a ready home given that the jobbers were still short of stock after the rally on Friday night and on Tuesday.

There was a large amount of Thorn EMI on offer from the market, and the price closed down 13p at 420p. Analysts have become nervous of prospects for video sales.

General Accident's first quarter figures disappointed the market, and the shares fell by 10p to 288p.

Analysts marked down their forecasts for Royal and Commercial Union, whose figures are due next week, as the underwriting background in the United Kingdom and the United States is obviously worse than feared, with competition keeping down motor premiums.

Additionally, the bad weather this winter has increased the cash payment of claims reducing the opportunity of investment profits. Royal closed unchanged at 331, but Commercial Union was down 4p at 126p, and Eagle Star dropped by 10p to 352p.

Other moves on company news was a drop in Smith St Aubyn shares by 4p to 35p on the loss. P&O did rise by 5p to 144p on the figures.

Some banks were depressed by the Falklands news, with Lloyds down 4p at 396p, as their particular worries about its Argentine involvement. National Westminster was down 11p at 405p. But Barclays was unchanged at 448p and Midland stayed at 323p.

Sainsbury closed unchanged at 650p on its 35 per cent profit rise and the scrip issue. Trident TV eased a further 4p to 78p awaiting the court decision on its casino licence renewals.

Channel Tunnel was again the most startling rise in the market, gaining 37p to 170p on hopes of a favourable decision on the tunnel later this month.

Charter Consolidated was down 3p at 210p after the rebuff of its bid for Anderson Strathclyde, whose shares closed at 140p, up 1p.

Lasmo was 342p against 354p, as the chairman's statement was described as gloomy about North Sea profits prospects and tax discouragement. The prospects for a merger with Oil Exploration, whose immediate prospects were the Andrew Field and the T Block, were delayed, the chairman said.

Rothmans rose a further 4p to 89p on hopes of a bid from Philip Morris. United Scientific was up 8p at 338p on the Egyptian optica contract. But Ductile fell 7p to 146p on profit-taking after Glynwed's bid.

Gold shares were steady. Active shares including Placeres, down 8p at 396p, Land Securities, down 5p at 285p, British Aerospace was also down 1p at 202p.

H. Young Holdings, the Surrey-based motor distributors is proposing a one for one rights issue at 25p share to raise approximately £190,000 net, to finance a Mercedes Benz distributorship. The company says firm undertakings have already been received from certain existing shareholders that they will take up their full entitlements — these acceptances amount to around 50 per cent of the existing issued shares. The share price fell 3p to 28p.

Sally White

LATEST RESULTS

Company	Sales	Profit	Earnings	Div	Pay	Year
£m	£m	per share	pence	date	date	total
Brickell East (F)	—	6.13(3.92)	5.15(4.33)	1.85(1.41)	—	3.52(6.3)
Comfort Hotels (F)	24,082(1.42)	0.6(1.4)	0.88(2.60)	0.4(0.4)	—	0.6(0.6)
T. Cowie (I)	44(44)	0.31(0.13)	1.15(3.06)	0.8(0.8)	—	—(1.8)
Gen Accident (F)	—	11.75(19.3)	—	—	—	—(18.25)
P. C. Henderson (F)	31,882(2.26)	2.48(1.46)	31.1(17.0)	7.25(5.75)	—	10.0(8.0)
Ldn & Provincial (I)	—	0.5(0.25)	0.9(0.6)	0.9(0.6)	1/7	2.7(1.8)
Mills (F)	17,741(16.64)	0.327(0.605)	10.7(16.2)	4.04(0.7)	15/7	6.95(6.95)
John Mowlem (F)	271,024(0)	7.8(6.3)	34.5(30.5)	9.8(8.75)	1/7	8.65(8.75)
1928 Inv Trust (F)	—	2.96(2.6)	4.92(4.63)	2.75(—)	—	4.75(4.4)
P. S. O. (F)	3,002(2.40)	40.85(47.07)	21.9(29.9)	7(5)	—	10(8)
J. Sainsbury (F)	1,951(1,589)	88.0(66.0)	23.74(17.74)	8.45(6.0)	23/7	4.5(10.5)
Smith St Aubyn (F)	—	2.75(3.44)	—	n/a(6.0)	—	—
N. American Inv. Trust (F)	—	1.107(1.95)	6.79(6.26)	4.25(—)	—	6.25(6.25)

Dividends in this table are shown net of tax on pence per share. Elsewhere in Business News dividends are shown on a gross basis. To establish gross multiply the net dividend by 1.428. Profits are shown pre-tax and earnings are net. a=Loss, b=First quarter, c=Net

Sainsbury still confounds the pessimists



Sir John and customers at the Nine Elms store yesterday.

To the casual observer, Sainsbury the food retailing group has more reasons than most for failure, (Anthony Hilton writes). Established well over 100 years, it is still firmly in the hands of its founding family, with three in the boardroom. Worse, according to conventional wisdom, Sir John Sainsbury chairman and chief executive insists on being involved with every last detail of the company to the extent that, as one analyst put it, if a customer complains about a tin of sardines he calls the buyer in for an explanation. Finally the company is a pillar of the food business which means that in times of recession it should, if not suffer, at least struggle a little.

Instead it rewrites the pessimists' textbooks. Pretax profits for the year to the end of last February were £89m against £65.8m — a 36 per cent increase which came on top of a 43 per cent spurt in 1980.

Sales rose 22.7 per cent, to £1,950m from £1,589m and after associated company interests, £5.7m for the staff profit sharing scheme — up even more than profits, and a £15.4m tax charge (£12.7m) the net profit comes out 27 per cent ahead at £68m.

Shareholders benefit too. Earnings per share are 23.74p (17.74p) and the shares, up 5p at 655p on the heavily anticipated good news, sell on a fully-taxed price/earnings ratio of 27.

The company proposes a one for one scrip issue and a final dividend of 6.5p, making the total for the year of 9.75p (7.25p).

Sainsbury is now in a class of its own, clearly ahead of Asda, the superstore pioneer, which is suffering from the costs of moving south, and Tesco, troubled by its move into non-foods. Hence a share rating which has more in common with a high-flying electronics company than food retailing. The rating reflects the company's virtuous circle — years of store building and modernization leading to productivity gains, which allow it to hold prices lower than its rivals but still make a better margin of 4.5 per cent.

The real question is how much longer can it continue? An ebullient Sir John says the market is nowhere near to saturation, with scope for dozens of new stores in the north and improved outlets in the south. But the cost will be high, with a planned capital spend of £150m this year against £126m in 1981, probably too much to finance internally.

BMK carpets off the floor

Mr John Logue, the 52-year-old Lancashire businessman who has bought a big part of high quality carpet group Blackwood Morton & Sons from its receivers, was the only person willing to take a chance in the beleaguered carpet industry when the company was advertised for sale (Philip Robinson writes).

Through his private group SAP, Mr Logue has bought BMK, makers of Axminster, Wilton and tufted carpets, whose former parent company went into receivership six

months ago owing £6.5m. He owes 67 per cent of BMK. The remainder is owned by an unnamed partner and held through a Swiss nominee holding company.

But yesterday he refused to disclose the price, claiming the receivers had asked him to keep it secret. However, because of the complexity of the deal, it was agreed with the receivers that no purchase price figure was meaningful.

There was also some confusion over the value of the assets he had bought through SAP, his Gloucester-based engineering company. Mr Logue estimated them at £10m, but sources close to the Kilmar-nock-based company said they would be surprised if the figure was that high.

Mr Logue, an engineer and former deputy managing director of Bowyers food group, has bought the freehold of one million sq ft of mixed quality factory space on four sites in Kilmarnock and the lease on BMK's principal Riverside factory. The freehold of this site was sold by the receiver to the Scottish Development Agency.

With the purchase will go an estimated £5m of potential tax losses. BMK, which had been losing money since 1976 and once employed 1,500, now has a workforce of 200. This is likely to rise next month to 340 as the company starts work on a new order. Mr Logue expects to break even or show a modest profit for the year to next December on a turnover of about £12m.

BMK is now a 67 per cent owned subsidiary of his SAP group which he bought from the receiver in 1970 for £12,000.

£2.75m loss at St Aubyn

Smith St Aubyn, the discount house which revealed £20m of losses on gilts in January after being badly caught out by rising interest rates, reported a £2.75m loss in the year to April 5 (Peter Wilson-Smith writes). The loss, which compares with a £3.4m profit the previous year, was struck after transferring out most of the group's hidden reserves and was also reduced by recovery of tax.

However, Smith has still ended the year in slightly better shape than some in the City feared. It made profits in the final quarter and seems to have benefited from the rise in the gilt market earlier this year. At one stage in January the group had a deficit to reserves and no hidden reserves; but by the year-end it had retained profits of £1.6m and, to prevent uncertainty, the group has taken the unusual step of disclosing up to £500,000 of hidden reserves.

After the £2.7m rights issue, Smith now has published capital and reserves of £8.6m compared with £9.3m in April 1981. Most of the previous year's huge gilt holdings have been liquidated and gilts in the balance sheet were down from £308m to £4.7m at the year-end. Bills discounted have risen from £211m to £301m, although total balance sheet holdings have still contracted sharply from £605m to £363m.



The Charterhouse Group plc 1981

Mr Nigel Mobbs reports

The Group

The group made good progress in 1981 despite the worldwide recession. With the enlarged merchant bank under new direction and further divestment within the industrial sector a new, more aggressive strategy was pursued. There was, as a result, a substantial increase in the amount invested in new and existing companies in the United Kingdom, France and North America and this continues.

Results

Group profit before taxation increased by 40 per cent, a commendable performance in the depressed economic climate. The attributable profit after taxation suffered from a high tax charge caused by the non tax-relievable profit arising in overseas territories and in associated companies, notably Charterhouse Petroleum, which also suffered the first imposition of Supplementary Petroleum Duty.

	£ million	1981	1980
Results in brief			
Capital employed	158.4	143.2	
Shareholders' funds	114.6	117.1	
* Profit before interest	31.2	23.8	
* Profit before taxation	22.6	16.1	
* Profit after taxation before extraordinary items	11.0	11.7	
Earnings per ordinary share	7.12p	9.64p	
Dividends per ordinary share	4.925p	4.51p	

* Including the profit of the bank after transfer to inner reserve

Dividend

The directors recommend an increased final dividend of 3.0 pence per Ordinary Share which, when aggregated with the interim payment, amounts to 4.925 pence for the year.

Investments

Profits from development capital activities were particularly encouraging in 1981. £14 million was invested in seventeen companies during the year in the United Kingdom, France and North America. The group continues to invest actively both as a minority and a majority shareholder. Although the recession continued, some companies managed to perform outstandingly well. Newage Engineers, which manufactures alternators, had an excellent year both at home and in its export markets. Building products, tool hire and the industrial distribution sector generally were badly hit but are now more optimistic about the future. In France, Groupe Expand, which provides promotional services for pharmaceutical companies, more than doubled its profits and continues to grow.

Banking

The bank's activities and strategy have been carefully reviewed and the management team strengthened by new appointments. The sale of Holding Financier, the holding company of the Swiss and French banking operations of Keyser Ullmann, was completed in September 1981. The Charterhouse Japhet Act, concerning the integration of Charterhouse Japhet and Keyser Ullmann, received Royal Assent in April 1981. This allowed all trading to be conducted in the name of Charterhouse Japhet with effect from the 1st June 1981.

The results for 1981 begin to reflect the benefits of the merger, including increased business opportunities resulting from the enlarged capital base. I have every confidence that we shall go from strength to strength in our now sizeable merchant bank.

The future

The planned strategy which the group has been developing in recent years is now beginning to produce success and a more aggressive investment policy is being pursued.

The strong operational performance of the group in 1981 arose from its policy of establishing a substantial merchant bank, creating a broadly based international investment portfolio, and supporting managements with successful and proven track records. The wide range of the group's investments will continue to play an important part in its defence against unfavourable economic events.

Nigel Mobbs Chairman

Copies of the Annual Report of The Charterhouse Group plc are available from: Group Communications Department, 25 Milk Street, London EC2V 8JE. Telephone (01) 606 7070.

STATISTICS

UK RESERVES

End of Period	£m	£m	Chg in mth
1981			
March*	28,212	12,583	-222
April	28,006	13,084	-345
May	28,487	12,793	-1,579
June	28,631	13,223	-856
July	24,588	13,294	-1,063
Aug	24,511	13,281	-57
Sept	23,698	13,088	-815
Oct	23,316	12,634	+147
Nov	23,488	11,971	+147
Dec	23,347	12,217	-116
1982			
Jan	23,225	12,331	-122
Feb	23,373	12,825	+148
March*	18,968	10,637	+4,404
April	18,159	10,105	-810

*Reserves revalued each year end March

COMMODITIES

COPPER — Afternoon — Higher grade cash was steeper, £273.00-274.00; 1000 tonnes, cash standard cathodes, £268.00-269.00; 1000 tonnes, Morning — Higher grade cash, three months, £268.00-269.00; 1000 tonnes, Settlement, £267.50-268.50; 1000 tonnes, cash standard cathodes, were steeper, £261.00-262.00; three months, £258.00-259.00; Settlement, £257.50-258.50; 1000 tonnes, cash, three months, £257.50-258.50; Settlement, £257.00-258.00; 1000 tonnes, cash, three months, £257.00-258.00; Settlement, £256.50-257.50; 1000 tonnes, cash, three months, £256.50-257.50; Settlement, £256.00-257.00; 1000 tonnes, cash, three months, £256.00-257.00; Settlement, £255.50-256.50; 1000 tonnes, cash, three months, £255.50-256.50; Settlement, £255.00-256.00; 1000 tonnes, cash, three months, £255.00-256.00; Settlement, £254.50-255.50; 1000 tonnes, cash, three months, £254.50-255.50; Settlement, £254.00-255.00; 1000 tonnes, cash, three months, £254.00-255.00; Settlement, £253.50-254.50; 1000 tonnes, cash, three months, £253.50-254.50; 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IS' RESUM

APPOINTMENTS

Three join central TSB board

Mr Neville R. Barker, chairman of TSB North East, Mr Kenneth A. Millicap, chairman TSB North West and Mr Peter J. Cook, general manager TSB Wales & Border Counties have been made directors of Central Trustee Savings Bank (CTSB).

Mr Tom Mayer is the new president of the Electronic Engineering Association. Mr Mayer is chairman and managing director of Thorn EMI Electronics.

Mr Roy Haines has been appointed to the new position of deputy treasurer of National Westminster Bank's International Banking Division.

Mr Dennis Webb has been promoted to finance director and company secretary of the Charles Clark Motor Group after eight years as group chief accountant.

Diedrich has been named as president of PHH International, a wholly-owned subsidiary of PHH Group Incorporated.

Mr John Skeffington has become a director of Cayzer, Irvine Shipping.

Mr B. Rombough has been appointed chief executive officer of PanCanadian Petroleum. Mr Robert R. Campbell, formerly chairman and chief executive officer, will continue as chairman.

Dermot de Trafford, deputy chairman of Low & Bonar is to become chairman of the group on June 1.

Mr Yves Bonavero has joined the partnership of E. D. & F. Man.

Mr Gordon Wileman of Nestlé has been elected treasurer of the Automatic Vending Association of Great Britain. Mr Ian Plummer of City Vending has been re-elected chairman of the association. Mr Roger Thomas of Mars Money Systems Division and Mr Mike Bellon of Lin Pac Plastic Containers, have been elected to the association's board of management.

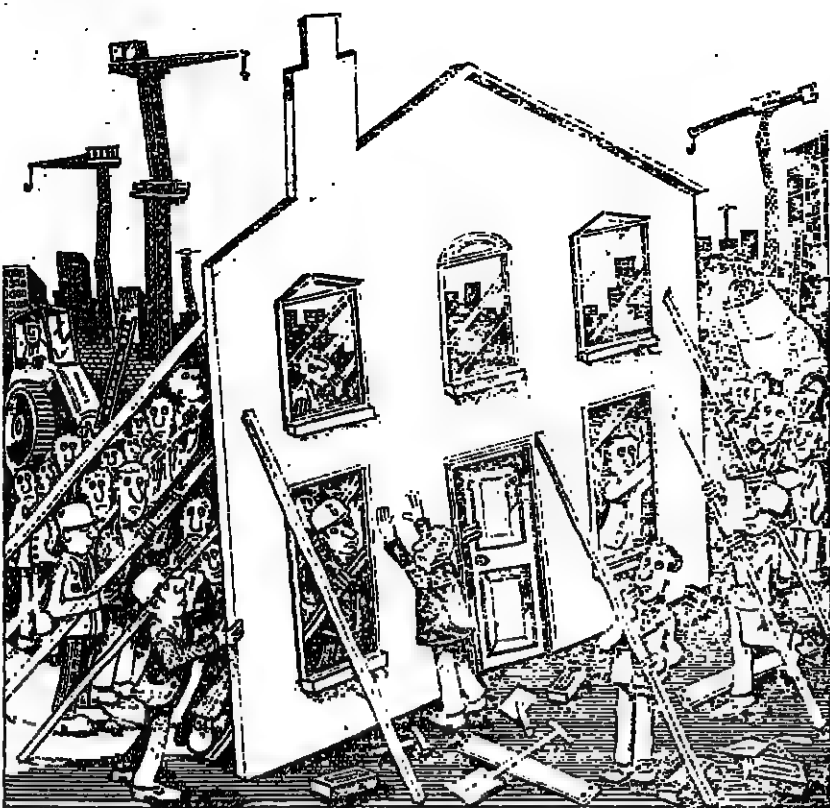
Mr J. A. Club will become executive vice president of the British Scrap Federation on June 1, succeeding Mr R. S. Boast who will be a consultant to the federation.

Mr Jack Walmough has retired from the boards of Walmoughs Limited and Bridge Graphics. He will remain deputy chairman of Walmoughs (Holdings). Mr Colin Maughan becomes deputy chairman of Walmoughs Limited. Mr Douglas Greaves has retired from the boards of Walmoughs (Holdings) and D. H. Greaves. He will become a consultant to Walmoughs (Holdings).

Mr Leonard Humphrey, managing director of Humphrey Scaffolding (Brighton), has been elected president of the National Association of Scaffolding Contractors.

Construction: the slow build-up

A series of better-than-expected profits from publicly-quoted construction companies and relatively buoyant house-building statistics have fuelled optimism about a recovery in the industry. Much of the sector — generally thought to be a bell-wether for the economy — is still however suffering from a deep recession with little immediate hope of relief. Baron Phillips assesses the state of the industry.



Channel tunnels and the odd power station apart there is little to cheer Britain's hard-pressed construction industry. Cutbacks in North Sea oil development and public sector spending have all taken their toll on previously ambitious plans.

Regarded as a reliable economic barometer, most parts of the industry are showing few immediate signs of recovery. Yet within the gloom which has threatened to suffocate builders a few glimmers of light can be seen breaking through the swelling ranks of unemployed construction workers and idle equipment.

Housebuilding in particular is at last on the increase. Figures released today by the Department of the Environment will show a continuing rise in the number of houses being built.

There is also evidence of improving performance by major companies. Recently Tarmac produced results ahead of market expectations with pretax profits advancing by some 19 per cent to a record £52.1m on turnover only marginally ahead at £918m.

The downside of all this is that while the building groups are looking fitter, albeit leaner, material suppliers and producers are still convalescing. Blue Circle, for example, points out how producer's margins have been under extreme pressure during the last year or so.

And the interim workload survey from the civil engineering contractors does not exactly paint a picture of health, vitality and optimism. The Federation of Civil Engineering Contractors quarterly report indicates that workload continues to decline although at a slower rate than the industry has become accustomed to since the late 1970s.

What precious little confidence actually exists, in among major companies is almost exclusively among those tendering for repair and maintenance contracts.

Perhaps surprisingly, when seen against the background of company results, total output in the construction industry declined by about 12 per cent last year. A level which, according to one of the leading construction analysts Savory Millin, will be maintained in the current year.

What has saved most construction groups from turning in disappointing figures has been a lower inflation rate in the industry than had been originally forecast. Most contractors had budgeted for fairly hefty rises in labour and material costs in 1981 — something which did not happen. With the exception of roof tiles most materials increased by less than the general rate of inflation.

But as Savory Millin point out the official figures disguise many of the massive discounts offered by suppliers and producers in order to maintain volume and keep down stock levels. Although official brick prices rose by around 13 per cent in 1981 the actual increase paid by end users was very much less. So, in a sense contractors were cushioned from the full effects of a poor construction year.

The gravity-defying act performed

by contractors in 1981 is unlikely to continue in 1982-83. Tender prices declined by about one per cent last year — and as the civil engineers' survey points out, there are fewer invitations to tender — which would come through in company results over the next two years.

Perhaps more important will be the pressure from producers and suppliers to increase their margins and ease the financial noise which has been hanging around their necks. There is a distinct feeling within the industry that it is bracing itself for some fairly hefty price rises during the year. And of course, just as the real decline in costs was disguised last year, so official increases in 1982 are likely to be modified.

At the same time construction projects have been hitting deadlines with greater frequency. Rising unemployment in the industry has meant a freely available and willing workforce on tap. This has also had the effect of keeping wage rises in line with inflation at worst and a lot lower at best. Buildings going up quicker have had the effect of keeping finance charges under control.

Against this background at least one sector of the industry is leading the charge into long term healthier profits. In 1980 private sector housing hit an all-time low with

starts around 96,000 despite a buoyant property market. Last year saw house builders begin construction on 21 per cent more homes and this year the figure is likely to rise to about 135,000, although more optimistic industry pundits believe it may be as much as 140,000. There is even expected to be an increase in the amount of local authority housing from last year's 36,000 units to around 40,000.

HOUSEBUILDING '000 units			
1973	328.5	1978	264.7
1974	252.1	1979	225.2
1975	322.9	1980	154.0
1976	325.4	1981	153.2
1977	266.9	1982	175.0*

* Projection
Source: Housing Builders' Federation

This trend is underlined in the Department of the Environment's latest construction orders figures. Total orders for new work in the three months to February were similar to the previous quarter but 4 per cent lower than the same period a year ago. Hidden within the Government statistics was the surprising trend of public housing work which was ahead by 11 per cent over the earlier three months and a staggering 78 per cent higher than a year ago.

The recovery however is from an abysmally low level. Money allocated for this work has crashed unthinkingly from £55m at constant 1975 seasonally adjusted prices in 1978 to only £342m last year. This has been the direct result of Government policy to switch housing resources away from the public to private sector.

Construction companies continue to be extremely concerned about falling orders from the public sector. Although the Chancellor announced a 14 per cent increase in capital expenditure to more than £10,250m in the Budget the industry believed it was an almost meaningless rise because it was from a low base and because there has been a growing reluctance on the part of local authorities to spend money.

It is estimated that as much as £700m is kept in local authority coffers which could be available for new public works. But this money is unlikely to find its way into capital expenditure account as councils are eager to keep down current costs.

It is volume housebuilders like Barratt Developments, Wimpey, Tarmac Ideal and Bovis who can expect improved activity and profits during the present year. The sector has already undergone a major growth up as high interest rates, falling prices and soaring unemployment destroyed complacency. For the first time builders had to go out and sell houses rather than simply build them and wait for buyers to walk onto a site.

The other glimmer on the horizon is the amount of repair and maintenance work available for companies. According to Savory Millin the outturn in this sector in 1981-82 is estimated to be £1,850m and should rise to just under £2,000m in the present year. These figures of course relate to publicly accounted contracts covering major works, but the real figure is thought to be around the £3,800m level when the less easily definable private housing repair and maintenance work is included.

Overseas the general picture is equally gloomy. Falling oil prices have meant a drastic reduction of spending on capital projects by Opec members, especially in the Middle East, Nigeria and Mexico. As our major construction and civil engineering groups like Costain and Taylor Woodrow have discovered, they must search further afield for work and competition is becoming extremely intense as the world recession bites hard.

Even so companies like Tarmac illustrate that there is work on the international market and that it can be profitable. Materials producers such as Blue Circle received a major contribution to profits from its international division with substantial uplift coming from its operation in North America. On the home front the group is looking for further redundancies which will top about 30 per cent of its workforce since the start of the last financial year.

The worst may be over for the construction industry, but there is unlikely to be any serious rise in business over the next 18 months.

C. Gordon Tether

When the tail wags the dog

There is a growing demand for an inquiry into the implications for the world's financial health of the massive foreign debts some countries have been encouraged to build up by the enthusiasm of the banking community for lending them money. But the probe into the sudden indebtedness issue should not stop here.

It should also look at a closely related question. It concerns tendency for the fast rise in debt totals to create situations where the need to give priority to financial consideration in policymaking is such that the international financial tail is apt to be found wagging the international political dog.

It was reported last week that influential members of Congress, including Mr Henry Reuss, chairman of the Joint Economic Committee, were calling for hearings on the "ability of the banks to make large international loans without seriously undermining the world's financial structure".

Many commentators in this country have been making the same point — that the time may have come to impose restraints on the lending activities of the banking community.

What has attracted much less attention is the extent to which the banks' lending excesses are beginning to complicate the political decision-making process.

Vocal

It has to be said that there have been two occasions in recent years on which officialdom showed no willingness to allow international financial considerations to deter it from pursuing political purposes. The United States authorities established a "discussion exclusion zone" round their decision to freeze Iranian assets in retaliation for the seizure of the embassy hostages.

The British authorities have acted in exactly the same way in the Falklands crisis.

But there has not been the same readiness to exclude the foreign indebtedness factor from the debate on what attitude the West could most appropriately adopt towards the international political issues raised by events in Poland. The financial communities

on both sides of the Atlantic have been vocal about the embarrassment the Western financial system could cause if political considerations alone were allowed to dictate the West's reaction to Poland's foreign debts problem.

There are good grounds for thinking that in this instance the agitation achieved its purpose. It seems pretty clear that Western governments have been willing to help the Polish military regime cope with its foreign debts problems to a materially greater extent than they would have been if there had not been the major intervention in the matter by the international financial lobby.

Freezes

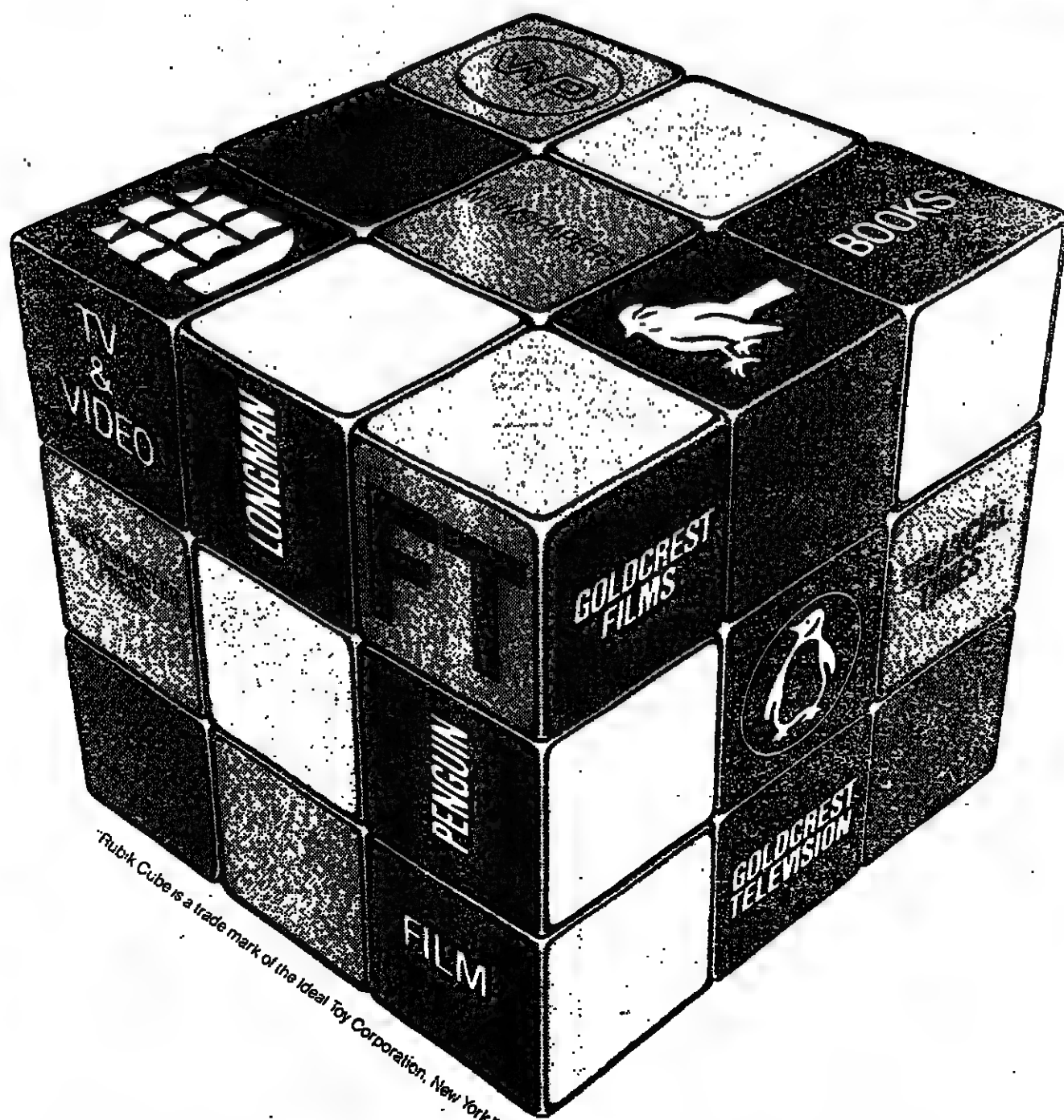
Mr Henry Wallich, one of the top men in the American central banks hierarchy, recently said that, if the United States declared Poland in default for purely political reasons, it would set a precedent that could do widespread damage to the mechanisms of international credit. Following such a move, banks would have to be concerned that international credit had become "a pawn of political purpose".

It has to be conceded that the freezes imposed on the use of Iranian and Argentine assets did constitute cases of international credit being made "a pawn of political purpose". But it is certainly arguable that the attitude that has been adopted towards the Polish debts problem involves the exact opposite of that process. By being careful not to push the Poles into default for fear of the repercussions this might have on the world's monetary system, the Western countries were effectively making political purpose a pawn of international credit.

The moral of the Polish debts story is, indeed, that the greater the extent to which the international banking community is allowed to encourage countries to build up large foreign debts, the greater will be the influence on the conduct of world affairs exercised by the international financial community. This is clearly something we need to think deeply about while there is yet time.

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Making the right moves



- Penguin and Longman both set new records
- Financial Times returns to profit as European edition passes 34,000
- Longman enters legal publishing with Oyez
- Goldcrest builds the team to lead the British film industry
- Pearson Longman starts Goldcrest Television and takes a stake in Yorkshire TV
- Westminster Press free publications now reach 1.6 million homes
- Goldcrest links with Penguin and Longman in two new video publishing ventures

In 1981 Puffin Books published 'You can do the Cube' by Patrick Bossert and Penguin Books published 'Mastering Rubik's Cube' by Don Taylor. Both were worldwide best-sellers. Goldcrest Television then produced a prize-winning video cassette featuring Patrick Bossert called 'You too can do the Cube'.

PEARSON LONGMAN

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To: The Registrar, (CAP 3/4), Pearson Longman plc., Lloyds Bank Plc., Registrar's Department, Goring-by-Sea, Worthing, W. Sussex BN12 6DA.
Please send me a copy of the 1981 Annual Report

Name

Company

Address

Benefits of change

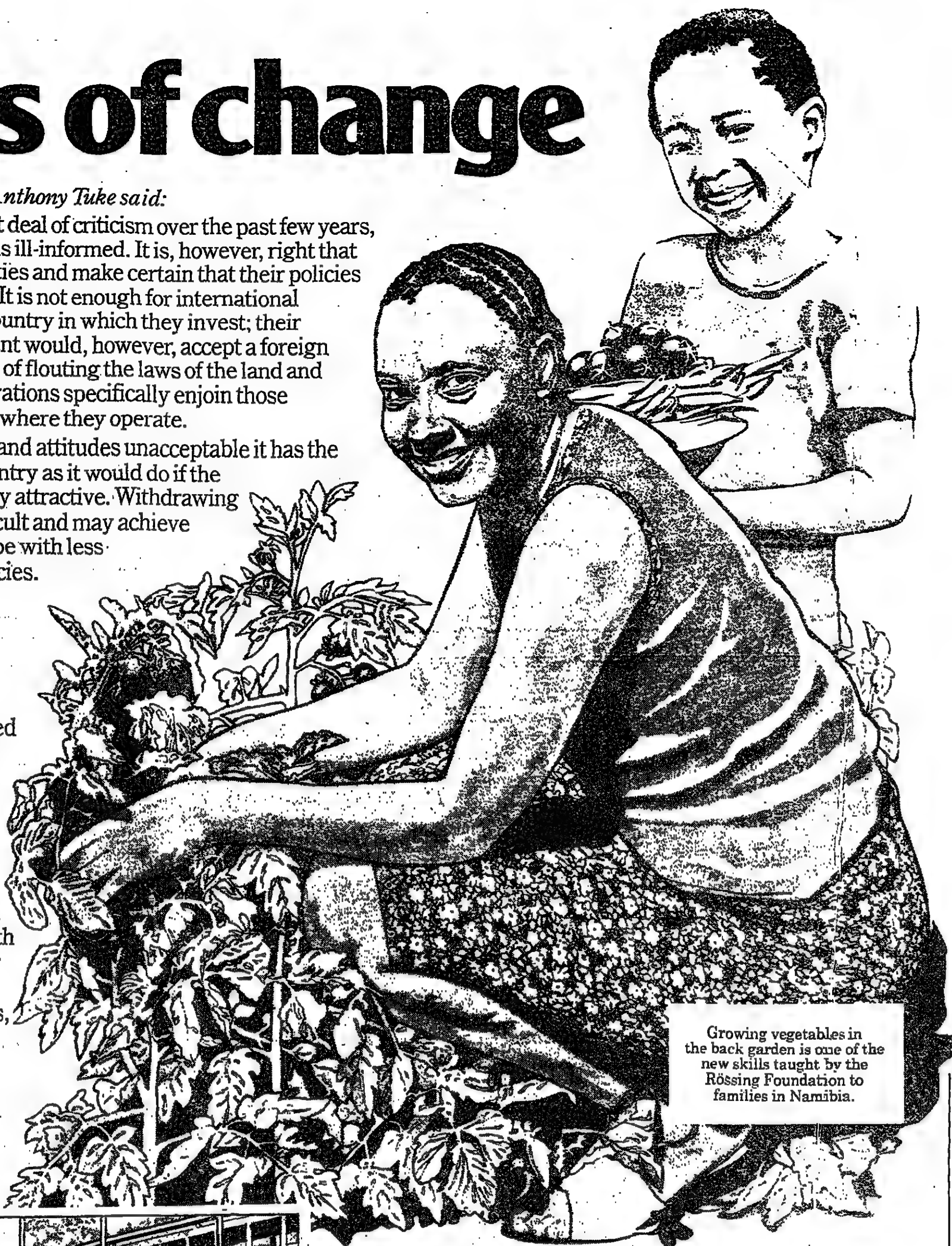
In his statement to shareholders, Sir Anthony Tuke said:

"Multinationals have been subjected to a great deal of criticism over the past few years, much of it ideological in origin and much of it is ill-informed. It is, however, right that corporations should review their responsibilities and make certain that their policies are correct and in tune with current thinking. It is not enough for international companies to shelter behind the laws of the country in which they invest; their responsibilities go beyond that. No government would, however, accept a foreign investor who deliberately stated his intention of flouting the laws of the land and the OECD guidelines for multinational corporations specifically enjoin those corporations to obey the laws of the countries where they operate.

If a corporation finds local conditions and attitudes unacceptable it has the option of refraining from investing in that country as it would do if the fiscal and financial climate were not sufficiently attractive. Withdrawing from an existing operation is much more difficult and may achieve little as local investors could take it over, maybe with less internationally acceptable standards and policies.

Any foreign investor has a clear responsibility to its employees and their families and, in the case of a mining company, to the local community, especially the indigenous population. The question both we as investors and the people who will be affected by a new operation must ask is, whether the benefits of a major investment outweigh the disadvantages change may bring.

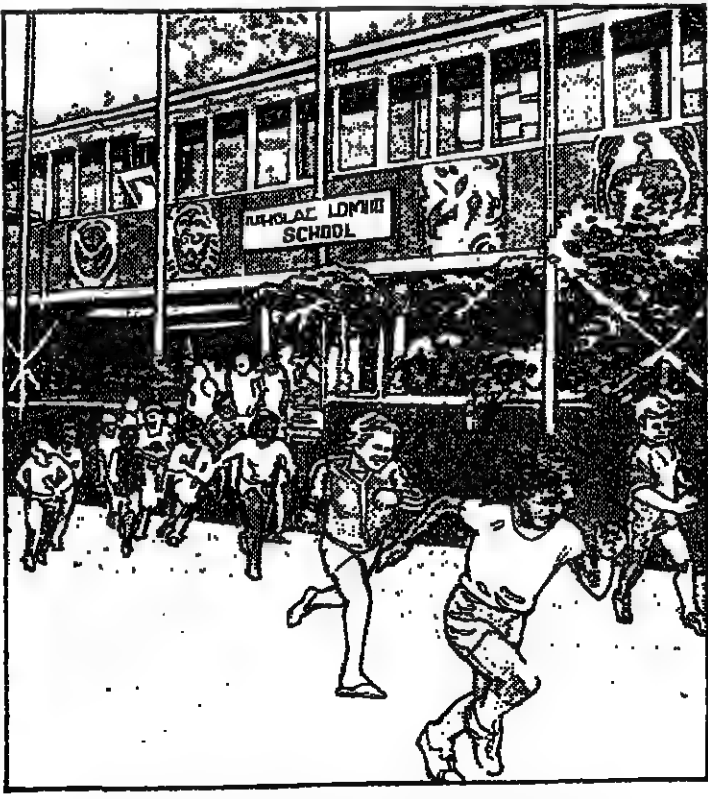
We do believe that the advantages overwhelmingly outweigh the disadvantages as we see the rising standards of living in the areas where we operate. These are evidenced by the high quality of housing, education, health and medical care, training and opportunity for advancement, as well as benefits to the wider community, especially in third world countries, of new sources of revenue and foreign exchange, together with educational and training opportunities from the independent foundations that have been established locally from the profits earned.



Growing vegetables in the back garden is one of the new skills taught by the Rössing Foundation to families in Namibia.



The highest standards of medical care are provided at group activities, particularly in less developed areas.



Educational opportunities at all levels for employees, their families and the wider community are an integral part of our operations.

Australianisation

Some three years ago we agreed that the majority Australian ownership in CRA should be achieved over a period through the reduction of our interest to 49 per cent. This change in our shareholding will take place in the context of sound commercial development and investment and at that level our investment will have expanded in dollar terms. The authorities in Australia have been helpful and we are not under any pressure. We anticipate that during the next few years the RTZ interest will fall to 49 per cent but we do not expect any material change in the profits available to shareholders from Australia.

Ward and Tunnel

One of the reasons for the 1980 rights issue was to enable the corporation to expand its activities in this country. The cement industry is in some ways similar to the mining industry and our successful offer for

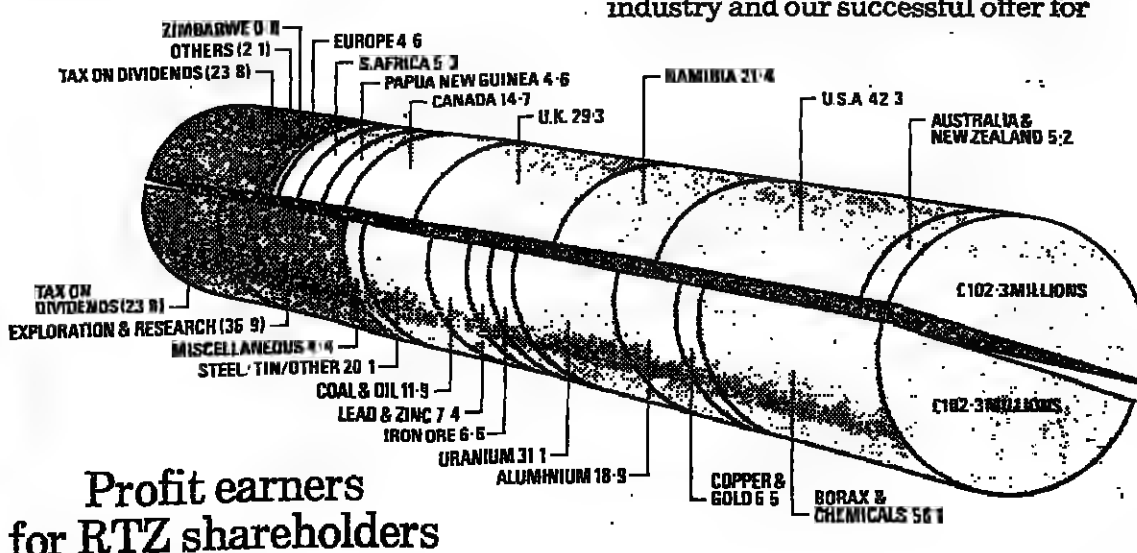
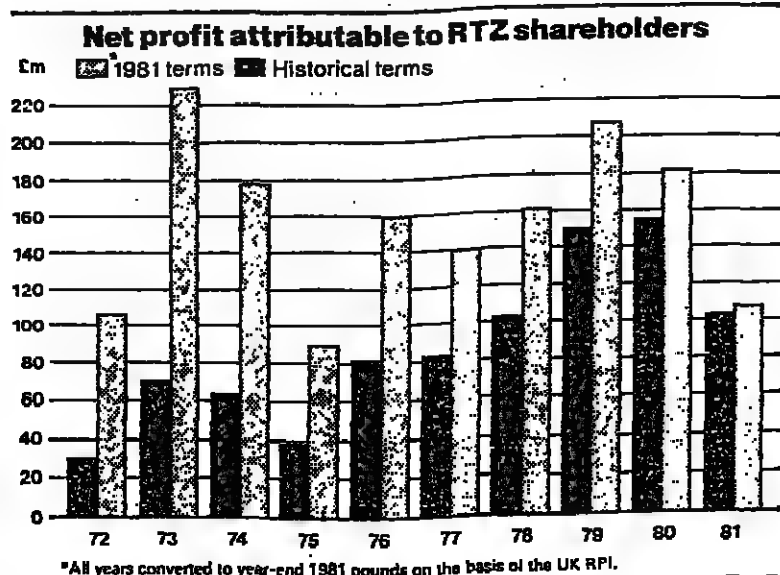
Ward brought with it control of Tunnel: the subsequent bid for Tunnel at an agreed price has become unconditional. The management of RTZ regard the bringing together of these two important companies as a priority during the next few months.

Future Outlook

In some respects the economic forecasts of early 1982 are similar to those made a year ago but there is reason to believe last year's dismal pattern will not be repeated. Past experience suggests that prices would be unlikely to remain as weak for an extended period even if demand were to stagnate throughout the year. Hence any modest revival of final demand, or any improvement in business confidence, should fairly swiftly affect metal markets and the RTZ Group's low cost mines would benefit accordingly."

Anthony Tuke
Chairman

If you would like a copy of the full RTZ annual report please write to: Group Public Affairs Department, 6 St. James's Square, London SW1Y 4LD.
Fact sheets on various aspects of the corporation's activities will be available from 3rd June.



The Rio Tinto-Zinc Corporation PLC

RTZ

Babcock

SUMMARY OF GROUP RESULTS

	1981 £m	1980 £m
TURNOVER	955.8	873.0
PROFIT BEFORE TAX	14.1	15.2
PROFIT attributable to Ordinary Shareholders	5.0	5.7
EARNINGS PER SHARE	6.1p	5.9p
DIVIDEND PER SHARE	7.0p	7.0p

Sir John King, Chairman, reports:-

- * Strong positive cash flow.
- * Improved operating efficiency.
- * Currently better business outlook.
- * 1981 dividend maintained at 7p per share.

Copies of the Annual Report may be obtained from
The Secretary, Cleveland House, St. James's Square, London SW1Y 4LN.

Babcock International plc
A LEADER IN WORLD-WIDE ENGINEERING

Financial disruption could spread beyond Argentina

Latin America piles up debts

In just two years time, the economic forecast for the South American and central American nations has turned from bright to bleak as the world recession has cut into exports and political unrest in a number of countries has escalated.

Now that there is the threat of a costly and possibly prolonged war involving Argentina, conditions in these closely-linked developing nations are all the more uncertain.

If the British naval blockade is extended for example, there could be severe economic consequences in other countries.

This is just one of a number of unsettling possibilities being considered by officials in international lending organisations at present reviewing the sharp deterioration in the economies of countries south of the United States border.

The Falklands conflict has spotlighted economic problems in this part of the world as it has become apparent to international lenders that a huge financial disruption in

Country	Total claims	Claims On:			Maturity of Claims:		
		Banks	Public bodies	Other private	1 year or less	1 to 5	Over 5
Argentina	7483.3	2464.7	2106.9	2911.7	4861.5	1897.8	623.9
Bolivia	457.7	55.0	249.1	153.6	205.4	220.6	31.6
Brazil	15188.4	5089.5	4788.4	4411.3	6994.3	5214.8	2880.2
Chile	4701.3	2582.2	705.3	1412.8	2357.0	1506.4	837.8
Colombia	2584.6	1012.4	605.4	976.7	1789.6	470.5	354.4
Costa Rica	592.7	74.2	244.5	373.9	337.1	208.7	46.8
Dom. Can Rep	489.9	122.3	271.0	96.4	286.1	183.9	19.9
Ecuador	1264.1	521.9	581.5	780.5	113.9	579.4	170.7
El Salvador	101.3	20.1	21.5	59.7	70.1	30.1	1.0
Guatemala	241.2	21.4	20.9	188.9	148.1	86.5	6.6
Honduras	274.9	24.5	80.9	169.5	173.6	86.1	15.2
Jamaica	190.4	13.0	157.1	20.3	72.0	100.9	7.5
Mexico	18101.2	3129.3	5345.6	9626.7	10897.0	4848.9	2557.2
Nicaragua	423.7	85.7	283.3	44.8	182.0	48.3	183.3
Paraguay	271.1	10.1	110.2	180.7	141.5	92.6	36.9
Peru	1753.6	702.5	811.7	239.4	1263.4	42.3	92.8
Puerto Rico	115.9	4.4	101.0	10.4	28.9	78.0	11.0
T. Rep. of Tobago	1188.7	1068.1	30.5	89.9	1158.1	30.4	2.2
Uruguay	20776.0	5325.2	7921.6	7529.0	14059.0	5313.5	103.3
Venezuela							

one country such as Argentina could have an adverse effect on several others. At present, there are several Latin American countries whose short term debt exposure worries World Bank and International Monetary Fund officials. They agreed to be interviewed by The Times on a background only basis.

to raise its dividend to 6 marks per share from 5.50 for 1980. Consolidated group profit rose nearly 50 per cent of DM272m from DM182m in 1980. Group sales climbed 18 per cent of DM15,400m.

The group is planning a one-for-eight rights issue at DM125 a share. The DM310m raised by the issue will be used to improve capital structure and finance growth.

Net profit of the Australian Finance Group Esanda increased by 8.9 per cent to A\$19m in 1981 from DM140m in 1980. It is (£11.2m) for the six months

ending March 31. Esanda is the wholly-owned subsidiary of ANZ Bank, one of the largest in Australia.

Thomson-Brandt, the recently nationalized electrical and electronics group, reported the first loss in its history and expects to remain in the red this year. The group said its 1981 consolidated accounts will show a loss of Fr180m (£16.4m) despite a 9.5 per cent increase in sales to Fr43,600m. The electronics of-fshoot, Thomson-CSF and its subsidiaries, accounted for Fr80m of the loss.

as Chile and Peru which have raging inflation and sharply declining exports.

Brazil's massive, external debt — much of it due for repayment over the next year — has been cause for worry for some time and now even oil-rich Venezuela, faced with the world energy glut, is experiencing problems.

For any central American countries such as Costa Rica, the situation is even worse. The United States Export-Import Bank, for example, has stopped making loans there altogether because the Government has been forced to ask both private and government lenders to reschedule its debt. Again, the economic problems of the war-torn countries of El Salvador and Nicaragua are better known.

Overall, economic conditions in this part of the world are more dismal than even the present June, 1981 debt figures revealed, and growing worse daily. In the opinion of a Latin American specialist with the United States Commerce Department:

The French group, Spie Batignolles, announced a consolidated net profit of Fr14m (£10.4m) in 1981 against Fr91m the previous year. Parent company net profit was Fr55.6m (£53.5m) and the dividend has been fixed at Fr13.50 (£11.25).

The company is to raise its capital to Fr192.7m from Fr144.5m by a one-for-three rights issue at Fr125 a share.

Ruhrgesellschaft of Germany is proposing an unchanged 1981 dividend of Dm8.50 despite a 39 per cent drop in net consolidated earnings to Dm20.3m (£4.7m).

Institute in Soviet oil warning

Jonathan Davis, Energy Correspondent, Eastern European countries are likely to become significant importers of oil during the 1980s, creating a danger that the Soviet Union will adopt an aggressive policy of seeking access to Middle East oil supplies, the Royal Institute of International Affairs warned yesterday.

A paper written by Jonathan Davis for the Institute says that Eastern Europe could be forced to go outside the Soviet bloc for as much as 100 million tonnes of oil a year by the end of the decade — though the shortage of hard currency in iron curtain countries means that their actual demand will probably be limited to 50 million tonnes a year. This would be the minimum requirement for the maintenance of economic growth.

So far Eastern Europe has been cushioned by being able to rely on cheap subsidized oil from the Soviet Union, but Mr Stern says the ability, and willingness, of the Russians to increase their oil exports or to change this policy is now in doubt.

In any case, Mr Stern argues: "It is difficult to see how Eastern Europe will resolve its problems with or without the help of the USSR".

Even with lower world oil prices, East Europe's trade balance with the countries and their debt problems of Poland and Romania cast doubt on their ability to pay world prices for oil.

"This being the case, the acquisition of increased oil supplies for Eastern Europe may become a factor in Soviet foreign policy vis-a-vis oil producing countries", Mr Stern says — a development both for Opec countries and Western countries which take oil from the Middle East.

The Soviet Union could either opt for doing barter deals with the participants in the Iran and Iraq war once hostilities cease, Mr Stern suggests, or they could try to put pressure on Opec countries to supply oil at concessionary prices.

On the proposed controversial Soviet gas pipeline into western Europe, the Royal Institute paper dismisses fears by the United States that this will make western Europe dangerously subject to an abrupt cutoff of supplies.

INTERNATIONAL



Car sales take a tumble

April sales by both foreign and United States car makers fell to an estimated 664,255 from an estimated 774,388 last April. Deliveries of domestic vehicles fell 6.4 per cent to 495,255 from 529,388 a year earlier.

A survey of leading importers' sales, however, shows that foreign-made sales plunged more than 21 per cent to about 169,000 vehicles from 215,000 vehicles. On a seasonally adjusted annual basis, foreign cars sold at about 1.8 million rate, their lowest since December 1978.

It is the importers' fourth consecutive month of sales declines. The factors depressing import sales include costs, poor economic conditions, credit shortages, and a growing petrol glut that is turning consumers away from small, fuel-efficient cars.

MALAYSIA

A slump in the Malaysian economy brought on by recession abroad led to 902 bankruptcies in 1981, the highest number in a single year. The downturn also could be traced to a shortage of capital.

WEST GERMANY

The sharp fall in West German petrol use came alongside a more modest 1.5 per cent decline in overall energy consumption. The share of overall energy sources held by petroleum products eased to 41 per cent in the first three months from a 1981 average of 44.5 per cent.

BELGIUM

The trade deficit of the Belgo-Luxembourg Economic Union (BLEU) narrowed in February to provisional BelFr 12,100m (£140m) from a revised BelFr 30,600m in January and BelFr 30,800m in February 1981.

CHINA

China has abolished the sixth ministry of machine-building and set up a new organization to streamline its shipbuilding industry. The reorganization is part of China's ambitious drive to slash its bloated bureaucracy.

NEW ZEALAND

New Zealand's balance of payments deficit was NZ\$1,141m (£496m) in the year ended March 31, compared with a deficit of NZ\$716m the previous year. Exports for the year rose 14 per cent.

AUSTRALIA

Australia's gross domestic product (GDP) rose 1.1 per cent in the final quarter of 1981, down from 2 per cent in the previous quarter and the year earlier quarter's 1.2 per cent.

SWITZERLAND

Swiss adjusted central bank money supply was 0.3 per cent higher in March than a year earlier.

CANADA

General Motors of Canada is to phase out 550 jobs at two of its plants in Ontario by the end of July.

Base Lending Rates

ABN Bank	13%
Barclays	13%
BCCI	13%
Consolidated Crds	13%
C. Hoare & Co	13%
Lloyds Bank	13%
Midland Bank	13%
Nat Westminster	13%
TSB	13%
Williams & Glyn's	13%

* 7 day rate - 11.00% - 11.25%
* 3 month rate - 11.00% - 11.25%
* 6 month rate - 11.00% - 11.25%

M. J. H. Nightingale & Co. Limited

27/28 Lovat Lane London EC3R 9BB Telephone 01-621 1212

The Over-the-Counter Market

1981/82	High	Low	Company	Price	Chgs	Gross	Yld	%	Actual	P/E	Div
130	100	Ass Brit Ind CULS	129	-1	10.0	7.8	-	-	-	-	-
75	62	Airsprung Group	73	-	4.7	6.4	11.6	15.0	-	-	-
51	33	Arncliffe & Rhodes	43	-	4.3	10.0	3.6	8.1	-	-	-
205	187	Bardon BIL	201	-	9.7	4.8	9.8	11.9	-	-	-
107	100	CCIL 10.7% Conv Pf	106	-1	15.7	14.8	-	-	-	-	-
240	240	Clecia Group	240	-	26.4	11.0	9.7	10.9	-	-	-
104	61	Deborah Services	62	-1	6.0	9.7	3.1	5.8	-	-	-
131	97	Frank Horsell	128	-2	6.4	5.0	11.5	23.7	-	-	-
83	39	Frederick Parker	77	-1	6.4	8.3	3.9	7.5	-	-	-
78	46	George Blair	54	-	-	-	-	-	-	-	-
102	93	Ind Prec Castings	98	-	7.3	7.4	7.1	10.7	-	-	-
109	100	Jais Conv Pref	108	-1	15.7	14.5	-	7.0	-	-	-
113	94	Jackson Group	99	-	7.0	7.1	3.1	-	-	-	-
130	108	James Burrough	113	-	8.7	7.7	8.2	10.4	-	-	-
334	238	Robert Jenkins	238	-2	31.3	13.2	2.3	8.4	-	-	-
65	51	Scruttons "A"	65	-	5.3	8.2	10.0	6.3	-	-	-
222	159	Torday & Carlisle	159	-	10.7	6.7	5.1	9.5	-	-	-
15	10	Twynlock Ord	14	-	-	-	-	-	-	-	-
90	66	Twynlock 15% ULS	80	-	15.0	18.8	-	-	-	-	-
44	25	Twynlock Holdings	25	-	4.0	12.0	4.5	7.6	-	-	-
103	73	Walter Alexander	80	-1	6.4	8.0	5.3	9.3	-	-	-
263	212	W.S. Yates	231	-	14.5	6.9	6.0	12.1	-	-	-

Prices now available on Prestel page 48146

Through a difficult year with increased profits



Lord Boyd-Carpenter

The following are extracts from the speech to shareholders by The Rt. Hon. Lord Boyd-Carpenter, DL, Chairman.

In my speech last year the essence of the message which I tried to convey was my confidence that we could and would survive the combined impact of a world depression and a low level of activity in the construction industry in the United Kingdom. In hard weather it is the hardy who survive. But I certainly would not last year have dared to suggest that I expected that in 1981 we should produce higher pre-tax profits than those of 1980. Yet this is what I can now report.

I think it is useful to seek to analyse why this has been so. First we have made vigorous efforts to improve our service to customers. We have had in mind the truth of the placard which I saw recently in the plant of which we are part owners in Pennsylvania, "CUSTOMERS MAKE PAY DAY POSSIBLE". This has been successful to the extent that it helped to offset the fall in demand so far as our Company was concerned. Secondly, we have been able to contain our costs by concentrating our production effort on our energy economical new plant. This new plant has involved very heavy capital investment notably at our Rochester and Southam Works. This investment has turned out to have been well-timed. It is helping us to keep our costs down through a period of depression. And it has provided a reserve of capacity to enable us to take full advantage of the recovery when it comes.

CEMENT MANUFACTURE IN THE U.K.

1981 began with the same low level of demand which had been experienced in the latter part of 1980. In the second half of the year there was a modest upturn but sufficient to confirm my forecast in our half-yearly statement that the reduction in Group profits in the first half of the year would be "more than offset by the end of the year". But with the severe weather in December bringing most sites to a standstill the year finished on a disappointing note.

Nevertheless, recent developments and modernisation at our works enabled the Company to meet the fluctuating demand pattern for bulk and packed cement with a high standard of service. Particular progress was made with the handling and delivery of packed cement and results fully justified the high capital cost of installing automatic loading and palletising facilities.

Since the weather improved, demand has improved with it.

OVERSEAS

Our Australian subsidiary, Cockburn Cement Limited, has had a somewhat mixed year although its results for 1981 show an improvement on 1980 both in terms of profit and in cement and lime sales — indeed, the tonnage of cement delivered during this year was the highest since 1978. The first shipment of cement in bulk was made to the new Darwin Depot late in September last year. There is every indication that the Northern Territory will develop into an important and useful additional market for Cockburn Cement.

The Parmelia Hotel increased its contribution to the Group's profit by 40%, although half of this improvement was due to the strengthening of the Australian dollar against sterling.

In the United States, despite the effects of the present recession on the construction industry in the North East of the U.S.A., our newly acquired associated company, U.S. Cement Inc., through its 100% subsidiary, Hercules Cement Company, succeeded in improving both its sales and its share of the market.

EMPLOYEE RELATIONS

During the late spring and early summer the cement industry as a whole

suffered a certain amount of industrial action. In spite of this, production and deliveries by your Company were not greatly affected. We are grateful to all those who did so much to maintain vital production and deliveries in circumstances which were difficult for all of us.

THE FUTURE

Although the cement industry, like the construction industry which it serves, is far from through its troubles, I can see gleams of light ahead. Certainly your Company has never been better prepared either to endure storm or profit from sunshine. It appears that this view is shared by many investors.

There are two problems facing this Company and the rest of this industry, alleviation of which lies in the hands of the Government. Our industry is an energy intensive one. It is therefore much affected by the surprising fact that in a country which has its own abundant supplies of oil, coal, and gas, the energy used by industry should be more expensive than in many of our European neighbours who do not have such natural advantages.

The other problem is the burden of taxation, national and local. The limited lightening of the burden of national taxation contained in the recent Budget is likely to be offset by increases in the level of local rates.

Finally, I would like to thank most warmly all those in the Company whether on the shop floor or at the wheel or in the office or in the boardroom whose hard work, team-work, and experienced skill have brought us through a difficult year so well.

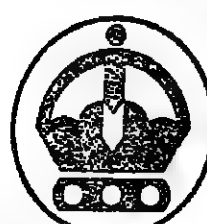
Boyd-Carpenter,
Chairman.

SALIENT FIGURES	1981 £000	1980 £000
Turnover		
United Kingdom	120,018	112,364
Overseas	24,553	16,111
	<u>144,571</u>	<u>128,475</u>
Trading Profit		
United Kingdom	14,872	14,307
Overseas	4,086	2,794
	<u>18,958</u>	<u>17,101</u>
Net Interest and Investment Income	(359)	(237)
Profit before Taxation	18,601	16,864
Taxation	3,990	2,110†
Profit after Taxation	<u>14,611</u>	<u>14,754</u>
Earnings per Share	12.1p	12.4p*
Total Dividend per Share	5.0p	4.7p

†Reduced by £727,000 release of stock appreciation relief provision.

*Re-stated for the release of stock appreciation relief provision and the bonus element of the May 1980 Rights Issue.

Copies of the Report and Accounts containing the full speech by the Chairman can be obtained from the Secretary, The Rugby Portland Cement P.L.C., Crown House, Rugby.



RUGBY CEMENT

Cecil to serve up double helping

By Michael Seely

Henry Cecil's triumph at the Chester Cup has put him in the front line of the man in form can land a double by winning the Ormonde Stakes with Ivano.

The running of Critique and Ivano will be watched with particular interest. For these are the two colts that Cecil's principal Green, who has been summarily in the gallop at Newmarket last Saturday.

Critique appears to have the easiest task of the pair. This is a four-year-old with a great deal of ability who has shown a tendency to hang under pressure.

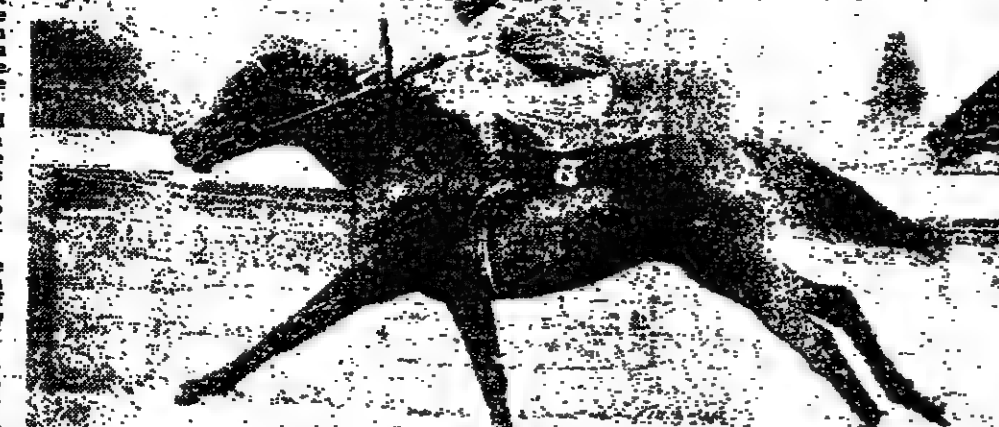
Baffin and Six Mile Bottom appear to be the favourite's main opponents. But in this small Critique's finishing speed should give him the day.

Ivano is one of Cecil's best three-year-olds. On his reappearance this season, Ivano had to struggle to withstand the late attack of Noble City's stable companion, Critique. However, Electric did this form on Saturday when winning the White Rose Stakes at Ascot last week.

Some magnificent racing held the usual Chester Cup day at Newmarket on a sunny afternoon. Cecil's stablemate, Dawn Johnny, made amends for his defeat in last year's Chester Cup when he came out to repel the challenges of Dragon Palace and Another Sam.

Willie Carson celebrated his wedding day by riding Lord Roodeve's best, Critique, to a pillar-to-post victory in the Chester Oaks.

As expected, Cecil was the opening Sefton Maiden. Fillies Stakes but he had a short head that George Ward's filly prevailed over Larcia. However, Fulke Johnson Houghton's hopes of a double were dashed when Steve Sweeney's filly, Dawn Johnny, won in the final strides of the Roodeve Stakes.



Flat out: Critique a fancied contender for Chester's Ormonde Stakes

In the Chester Cup Pat Eddery made a rare tactical error by leaving too far off his ground on the 4-1 favourite Castelnau in a race that was won by Ivano in early stages. When Eddery first tried to make his move he was repeatedly balked and by the time the pair got clear the leaders had flown.

Dawn Johnny's trainer, Michael Scudette, said afterwards: "Walter Swireburn rode a magnificent race. He had Dawn Johnny in the pole position throughout. I thought Dawn Johnny would run well as the ground had dried out. But there were too many apparently well-handicapped horses to face him."

The stewards held an inquiry into the improvement made by Dawn Johnny compared with his running in the Queens prize at the same time. The inquiry was held because Dawn Johnny's five-year-old had finished last behind Cheka. The authorities are right to protect the public purse. The answer is pretty simple. The ground was soft when Dawn Johnny was an

unplaced favourite behind Donast Prince in the race last year. And it was also soft at Kempton. Dick Hern certainly believes in coming back with a bang. Broken Rail had won in style when giving the trainer his first victory of the season on Tuesday and Swiftfoot is now top rated at 12-1 for the Oaks after yesterday's fluent success.

Once again Hern holds a strong hand as far as the fillies classic is concerned. Swiftfoot will go straight to Kempton. We will have to see about Tikaki after she has run in the Lingfield trial on Friday. Height of Fashion is coming along nicely. And if the Queen's filly has a preliminary race it will be in the Lupe Stakes at Goodwood.

The news about Peacetime is still the same. After Epithet had finished second to Swiftfoot, Roger Charlton, Jeremy Tree's assistant trainer, said: "Peacetime is still giving the odd dry cough. If it clears up this weekend we might be able to give the colt enough work to get him ready for the Predominate Stakes at Goodwood. We shall just have to wait and see."

After Eddery's victory in the first race Johnson Houghton said that he was sending Rajah over to Rome for the Italian Derby on Sunday. Rajah finished third in the Old Country and Yard Bird in the Warren Stakes at the Epsom Spring meeting. And both Luca Coman, who is also sending Capricorn Line for the Grand Prix d'Ery in Paris on Saturday, and Bruce Hobbs said that Old Country and Yard Bird were also certain runners in the same race. As Gint of Gold won their Derby after capturing the Warren Stakes last year, the Italian must be shaking in their Gucci shoes at the prospect of this powerful English raid.

And finally, deep apologies are due to Mrs Laraine Brotherton, the mother of Mrs Anne Henson, who is the owner of Able Albert, who was sent to the races last year. I referred to Freebottle's owner as the late Mrs Brotherton. She is not only alive, she is also enjoying the best of health.

Flying Horage puts McCormack on map

By Michael Phillips, Racing Correspondent

Mat McCormack, who was a stable lad for Sir Cecil Boyd, has been sent to the races by his owner, Sir Charles Murells, before eventually becoming head of Peter Walwyn at Lambourn. But he has been a success story since then. Three and a half years ago, he felt that the moment was ripe to do just that.

It is not easy for anyone to become established as a trainer these days. Least of all in the case of a man who has been a success story since then. Three and a half years ago, he felt that the moment was ripe to do just that.

McCormack currently has only 13 horses in his stable. Sparsholt, a race winner, saw Epi and Doug Smith and Manny and Joe Mercer in their early days, when they were all apprenticed to the late Major Fred Stacey. But if Horage goes on winning the way he did yesterday, McCormack can hardly look back on his early days.

Sponsored by the Salisbury Stakes was Horage's second easy victory within a week, and his fourth in four starts. Even before yesterday's race, Horage was saying he was certain that the colt was already going for the further than five furlongs.

Afterwards, Robert Street, who rode him yesterday, agreed wholeheartedly. "I'm sure you have not seen Horage before. He is a real street remarker - and that's a colt who has just won 10 lengths. No wonder McCormack now has the colt on the Coventry Stakes at Royal Ascot."

In the meantime, Horage is still seen out again either at York next week, or at Haydock Park in early June. When McCormack paid only 8,000 guineas - which is chicken feed now - he was also a success story.

McCormack remarked yesterday, with justifiable feeling, Horage now belongs to the Arabi, a Lebanese living in London.

To make McCormack's day complete, Siny Hour won the 12-1 favourite in the 12-1. What is more, he confessed to having had a few guineas on him at that price. No wonder he was still celebrating much later because his first training double, which was a triumph over the dawn of his career.

However, McCormack's Horage was matched by Henry Candy, who also trained two winners, Ridge Heights in the Warminster Stakes and the Glorious Halo who won the Druids Stakes. Both were ridden by Billy Newnes, another whose star is very much in the ascendency.

At Salisbury today there will be eight races, as the Wincanton Maiden Stakes had to be split three ways yesterday for safety reasons.

With Henry Candy's stable in such good form, no one should be surprised if Reign wins the Maiden Maiden Fillies Stakes. A nippy filly by the sprinter, Manshing, Reign very nearly won first time out at Sandown.

Afterwards, Robert Street, who rode him yesterday, agreed wholeheartedly. "I'm sure you have not seen Horage before. He is a real street remarker - and that's a colt who has just won 10 lengths. No wonder McCormack now has the colt on the Coventry Stakes at Royal Ascot."

England's women steal the show

By John Hennessy, Golf Correspondent

The visiting team of American players have dominated the public attention at the women's tournament both as to their looks and to their golf potential. But when the first day of the tournament, the first day of the top 100 tournament at Woburn, it was two young English women, born no farther from the home than the players who sprang into the lead.

They were Masine Burton and Susan Bamford, with round 73 (one under par) and 73 respectively. Miss Burton is the one born at Sunningdale, Miss Bamford having first opened her eyes and lungs at Barnet. Since so much more has been placed on appearance, it may as well be added that they are as fair of face and form as any, but they would probably wish to be appreciated more for their golf, so they shall.

Their nearest challengers are Susan Latham, in only her second season, and Muriel Thompson, a founder member of the Women's Professional Association, both on 76. The best placed American is Lisa Baxter, on 77. The count down is being played on the Duchess course, 5,831 yds.

Miss Burton has been troubled by an injured, or at least, ailing wrist. This is not a new problem, six weeks ago "pick up that piece of paper. She has therefore been unable to practice as assiduously as some, but then the practice ground has never held any great charm for her.

On over par at the turn, Miss Bamford was a model of consistency coming home and strayed from par only with a four at the 17th. She was one of the one of the rare occasions when she invaded the woods, but a 20-yard putt more than redressed the balance.

It was a different story as she turned home. The first six holes from the turn yielded four birdies, as she wielded a dolt wedge and although she dropped shots at two more holes sand-



Miss Bamford: a model of consistency

wich between them was a birdie three at the 17th, created by a lovely, wistful seven-iron to five feet.

Miss Bamford has been through troubled times recently. The point of considering giving up the game. Happily, her sponsors, Findus Foods, kept faith in her and invested £4,000 in sending her to Palm Springs for the winter to be with the feet of a distinguished American teacher, Jim Hardy. He took her through a rebuke in the winter, and she was away from the hips, and at first glance at least, it seems he may have found the secret.

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Chester

Tote Double: 3.15 and 4.15. Treble: 2.45, 3.45 and 4.45. (Double) (BBG2): 2.15, 2.45, 3.15 and 3.45 (races)

2.15 SCOTCH STAKES (2-y-o maidens: £2,029; 50 (8 runners)
1.01 BEST BLOOD (P. Dwyer) 8-11
2.01 GEMMA (C. Smith) 1-11
3.01 INMOTION (P. Dwyer) 8-11
4.01 LADY (C. Smith) 1-11
5.01 JAMES DOLPHIN (C. Smith) 8-11
6.01 MY MISSISSIPPI (C. Smith) 8-11
7.01 SUEY (C. Smith) 8-11
8.01 VAL'S DELIGHT (C. Smith) 8-11

2.45 ORMONDE STAKES (Group 3; £14,348; 1m 51.88yd) (6 runners)
1.01 CRITIQUE (C. Smith) 8-11
2.01 BARRON (C. Smith) 8-11
3.01 BIRCH (C. Smith) 8-11
4.01 DOGBERRY (C. Smith) 8-11
5.01 MOELMO (C. Smith) 8-11
6.01 WILKIE BOTTOM (C. Smith) 8-11

3.15 LABROCK HOTELS HANDICAP (3-y-o; £4,123; 7f 12) (12 runners)
1.01 FAIRY TUNE (C. Smith) 8-11
2.01 PAPERETTE (C. Smith) 8-11
3.01 MURDERED (C. Smith) 8-11
4.01 ELICIT (C. Smith) 8-11
5.01 DANCE OF LIES (C. Smith) 8-11
6.01 NO CONTEST (C. Smith) 8-11
7.01 PUSHDOWN (C. Smith) 8-11
8.01 CROWN (C. Smith) 8-11
9.01 SPANISH POOL (C. Smith) 8-11
10.01 MIMAMAR REEF (C. Smith) 8-11
11.01 TELEPHONE MAN (C. Smith) 8-11

4.15 OAKS HANDICAP (3-y-o; £3,080; 50 (11 runners)
1.01 SUSANNA (C. Smith) 8-11
2.01 GEMMA (C. Smith) 8-11
3.01 ARCH MELODY (C. Smith) 8-11
4.01 MISS MELODY (C. Smith) 8-11
5.01 LORD WIMPY (C. Smith) 8-11
6.01 THE HAYTON GIRLS (C. Smith) 8-11
7.01 KINGS OFFERING (C. Smith) 8-11
8.01 HUNTLEY (C. Smith) 8-11
9.01 HUNTLEY (C. Smith) 8-11
10.01 HUNTLEY (C. Smith) 8-11
11.01 HUNTLEY (C. Smith) 8-11

5.15 EATON HANDICAP (C3, £3,059; 1 1/2m 55yd) (10 runners)
1.01 TURN BACK THE TIME (C. Smith) 8-11
2.01 PRINCE PAUL (C. Smith) 8-11
3.01 SAGE KING (C. Smith) 8-11
4.01 SAGE KING (C. Smith) 8-11
5.01 SAGE KING (C. Smith) 8-11
6.01 SAGE KING (C. Smith) 8-11
7.01 SAGE KING (C. Smith) 8-11
8.01 SAGE KING (C. Smith) 8-11
9.01 SAGE KING (C. Smith) 8-11
10.01 SAGE KING (C. Smith) 8-11

6.15 CHESTER STAKES (3-y-o; £2,500; 50 (11 runners)
1.01 SUSANNA (C. Smith) 8-11
2.01 GEMMA (C. Smith) 8-11
3.01 ARCH MELODY (C. Smith) 8-11
4.01 MISS MELODY (C. Smith) 8-11
5.01 LORD WIMPY (C. Smith) 8-11
6.01 THE HAYTON GIRLS (C. Smith) 8-11
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6.01 THE HAYTON GIRLS (C. Smith) 8-11
7.01 KINGS OFFERING (C. Smith) 8-11
8.01 HUNTLEY (C. Smith) 8-11
9.01 HUNTLEY (C. Smith) 8-11
10.01 HUNTLEY (C. Smith) 8-11
11.01 HUNTLEY (C. Smith) 8-11

10.15 CHESTER STAKES (3-y-o; £2,500; 50 (11 runners)
1.01 SUSANNA (C. Smith) 8-11
2.01 GEMMA (C. Smith) 8-11
3.01 ARCH MELODY (C. Smith) 8-11
4.01 MISS MELODY (C. Smith) 8-11
5.01 LORD WIMPY (C. Smith) 8-11
6.01 THE HAYTON GIRLS (C. Smith) 8-11
7.01 KINGS OFFERING (C. Smith) 8-11
8.01 HUNTLEY (C. Smith) 8-11
9.01 HUNTLEY (C. Smith) 8-11
10.01 HUNTLEY (C. Smith) 8-11
11.01 HUNTLEY (C. Smith) 8-11

11.15 CHESTER STAKES (3-y-o; £2,500; 50 (11 runners)
1.01 SUSANNA (C. Smith) 8-11
2.01 GEMMA (C. Smith) 8-11
3.01 ARCH MELODY (C. Smith) 8-11
4.01 MISS MELODY (C. Smith) 8-11
5.01 LORD WIMPY (C. Smith) 8-11
6.01 THE HAYTON GIRLS (C. Smith) 8-11
7.01 KINGS OFFERING (C. Smith) 8-11
8.01 HUNTLEY (C. Smith) 8-11
9.01 HUNTLEY (C. Smith) 8-11
10.01 HUNTLEY (C. Smith) 8-11
11.01 HUNTLEY (C. Smith) 8-11

12.15 CHESTER STAKES (3-y-o; £2,500; 50 (11 runners)
1.01 SUSANNA (C. Smith) 8-11
2.01 GEMMA (C. Smith) 8-11
3.01 ARCH MELODY (C. Smith) 8-11
4.01 MISS MELODY (C. Smith) 8-11
5.01 LORD WIMPY (C. Smith) 8-11
6.01 THE HAYTON GIRLS (C. Smith) 8-11
7.01 KINGS OFFERING (C. Smith) 8-11
8.01 HUNTLEY (C. Smith) 8-11
9.01 HUNTLEY (C. Smith) 8-11
10.01 HUNTLEY (C. Smith) 8-11
11.01 HUNTLEY (C. Smith) 8-11

13.15 CHESTER STAKES (3-y-o; £2,500; 50 (11 runners)
1.01 SUSANNA (C. Smith) 8-11
2.01 GEMMA (C. Smith) 8-11
3.01 ARCH MELODY (C. Smith) 8-11
4.01 MISS MELODY (C. Smith) 8-11
5.01 LORD WIMPY (C. Smith) 8-11
6.01 THE HAYTON GIRLS (C. Smith) 8-11
7.01 KINGS OFFERING (C. Smith) 8-11
8.01 HUNTLEY (C. Smith) 8-11
9.01 HUNTLEY (C. Smith) 8-11
10.01 HUNTLEY (C. Smith) 8-11
11.01 HUNTLEY (C. Smith) 8-11

14.15 CHESTER STAKES (3-y-o; £2,500; 50 (11 runners)
1.01 SUSANNA (C. Smith) 8-11
2.01 GEMMA (C. Smith) 8-11
3.01 ARCH MELODY (C. Smith) 8-11
4.01 MISS MELODY (C. Smith) 8-11
5.01 LORD WIMPY (C. Smith) 8-11
6.01 THE HAYTON GIRLS (C. Smith) 8-11
7.01 KINGS OFFERING (C. Smith) 8-11
8.01 HUNTLEY (C. Smith) 8-11
9.01 HUNTLEY (C. Smith) 8-11
10.01 HUNTLEY (C. Smith) 8-11
11.01 HUNTLEY (C. Smith) 8-11

15.15 CHESTER STAKES (3-y-o; £2,500; 50 (11 runners)
1.01 SUSANNA (C. Smith) 8-11
2.01 GEMMA (C. Smith) 8-11
3.01 ARCH MELODY (C. Smith) 8-11
4.01 MISS MELODY (C. Smith) 8-11
5.01 LORD WIMPY (C. Smith) 8-11
6.01 THE HAYTON GIRLS (C. Smith) 8-11
7.01 KINGS OFFERING (C. Smith) 8-11
8.01 HUNTLEY (C. Smith) 8-11
9.01 HUNTLEY (C. Smith) 8-11
10.01 HUNTLEY (C. Smith) 8-11
11.01 HUNTLEY (C. Smith) 8-11

16.15 CHESTER STAKES (3-y-o; £2,500; 50 (11 runners)
1.01 SUSANNA (C. Smith) 8-11
2.01 GEMMA (C. Smith) 8-11
3.01 ARCH MELODY (C. Smith) 8-11
4.01 MISS MELODY (C. Smith) 8-11
5.01 LORD WIMPY (C. Smith) 8-11
6.01 THE HAYTON GIRLS (C. Smith) 8-11
7.01 KINGS OFFERING (C. Smith) 8-11
8.01 HUNTLEY (C. Smith) 8-11
9.01 HUNTLEY (C. Smith) 8-11
10.01 HUNTLEY (C. Smith) 8-11
11.01 HUNTLEY (C. Smith) 8-11

17.15 CHESTER STAKES (3-y-o; £2,500; 50 (11 runners)
1.01 SUSANNA (C. Smith) 8-11
2.01 GEMMA (C. Smith) 8-11
3.01 ARCH MELODY (C. Smith) 8-11
4.01 MISS MELODY (C. Smith) 8-11
5.01 LORD WIMPY (C. Smith) 8-11
6.01 THE HAYTON GIRLS (C. Smith) 8-11
7.01 KINGS OFFERING (C. Smith) 8-11
8.01 HUNTLEY (C. Smith) 8-11
9.01 HUNTLEY (C. Smith) 8-11
10.01 HUNTLEY (C. Smith) 8-11
11.01 HUNTLEY (C. Smith) 8-11

18.15 CHESTER STAKES (3-y-o; £2,500; 50 (11 runners)
1.01 SUSANNA (C. Smith) 8-11
2.01 GEMMA (C. Smith) 8-11
3.01 ARCH MELODY (C. Smith) 8-11
4.01 MISS MELODY (C. Smith) 8-11
5.01 LORD WIMPY (C. Smith) 8-11
6.01 THE HAYTON GIRLS (C. Smith) 8-11
7.01 KINGS OFFERING (C. Smith) 8-11
8.01 HUNTLEY (C. Smith) 8-11
9.01 HUNTLEY (C. Smith) 8-11
10.01 HUNTLEY (C. Smith) 8-11
11.01 HUNTLEY (C. Smith) 8-11

19.15 CHESTER STAKES (3-y-o; £2,500; 50 (11 runners)
1.01 SUSANNA (C. Smith) 8-11
2.01 GEMMA (C. Smith) 8-11
3.01 ARCH MELODY (C. Smith) 8-11
4.01 MISS MELODY (C. Smith) 8-11
5.01 LORD WIMPY (C. Smith) 8-11
6.01 THE HAYTON GIRLS (C. Smith) 8-11
7.01 KINGS OFFERING (C. Smith) 8-11
8.01 HUNTLEY (C. Smith) 8-11
9.01 HUNTLEY (C. Smith) 8-11
10.01 HUNTLEY (C. Smith) 8-11
11.01 HUNTLEY (C. Smith) 8-11

20.15 CHESTER STAKES (3-y-o; £2,500; 50 (11 runners)
1.01 SUSANNA (C. Smith) 8-11
2.01 GEMMA (C. Smith) 8-11
3.01 ARCH MELODY (C. Smith) 8-11
4.01 MISS MELODY (C. Smith) 8-11
5.01 LORD WIMPY (C. Smith) 8-11
6.01 THE HAYTON GIRLS (C. Smith) 8-11
7.01 KINGS OFFERING (C. Smith) 8-11
8.01 HUNTLEY (C. Smith) 8-11
9.01 HUNTLEY (C. Smith) 8-11
10.01 HUNTLEY (C. Smith) 8-11
11.01 HUNTLEY (C. Smith) 8-11

Salisbury

2.00 WINCANTON STAKES (Div 1: 3-y-o maidens: £1,277; 1 1/2m) (13 runners)
1.01 IMPLICATION (A. Ward) 8-11
2.01 IMPEDIMENT (A. Ward) 8-11
3.01 IMPEDIMENT (A. Ward) 8-11
4.01 IMPEDIMENT (A. Ward) 8-11
5.01 IMPEDIMENT (A. Ward) 8-11
6.01 IMPEDIMENT (A. Ward) 8-11
7.01 IMPEDIMENT (A. Ward) 8-11
8.01 IMPEDIMENT (A. Ward) 8-11
9.01 IMPEDIMENT (A. Ward) 8-11
10.01 IMPEDIMENT (A. Ward) 8-11
11.01 IMPEDIMENT (A. Ward) 8-11
12.01 IMPEDIMENT (A. Ward) 8-11

2.30 NEW FOREST HANDICAP (£2,988; 7f)
1.01 PORTUGO (C. Smith) 8-11
2.01 PORTUGO (C. Smith) 8-11
3.01 PORTUGO (C. Smith) 8-11
4.01 PORTUGO (C. Smith) 8-11
5.01 PORTUGO (C. Smith) 8-11
6.01 PORTUGO (C. Smith) 8-11
7.01 PORTUGO (C. Smith) 8-11
8.01 PORTUGO (C. Smith) 8-11
9.01 PORTUGO (C. Smith) 8-11
10.01 PORTUGO (C. Smith) 8-11
11.01 PORTUGO (C. Smith) 8-11
12.01 PORTUGO (C. Smith) 8-11

3.00 REDENHAM STAKES (2-y-o maidens: £1,509; 50 (11 runners)
1.01 AIR GIRL (C. Smith) 8-11
2.01 AIR GIRL (C. Smith) 8-11
3.01 AIR GIRL (C. Smith) 8-11
4.01 AIR GIRL (C. Smith) 8-11
5.01 AIR GIRL (C. Smith) 8-11
6.01 AIR GIRL (C. Smith) 8-11
7.01 AIR GIRL (C. Smith) 8-11
8.01 AIR GIRL (C. Smith) 8-11
9.01 AIR GIRL (C. Smith) 8-11
10.01 AIR GIRL (C. Smith) 8-11
11.01 AIR GIRL (C. Smith) 8-11

3.30 EDDIE REAVEY AUCTION STAKES (2-y-o maidens: £1,168; 50 (11 runners)
1.01 PROGRESSIVE SWEET (C. Smith) 8-11
2.01 PROGRESSIVE SWEET (C. Smith) 8-11
3.01 PROGRESSIVE SWEET (C. Smith) 8-11
4.01 PROGRESSIVE SWEET (C. Smith) 8-11
5.01 PROGRESSIVE SWEET (C. Smith) 8-11
6.01 PROGRESSIVE SWEET (C. Smith) 8-11
7.01 PROGRESSIVE SWEET (C. Smith) 8-11
8.01 PROGRESSIVE SWEET (C. Smith) 8-11
9.01 PROGRESSIVE SWEET (C. Smith) 8-11
10.01 PROGRESSIVE SWEET (C. Smith) 8-11
11.01 PROGRESSIVE SWEET (C. Smith) 8-11

4.00 HUNTINGDON NH
1.01 CROWLAND HURDLE (Div 1: 3-y-o maidens: £1,277; 1 1/2m) (13 runners)
2.01 CROWLAND HURDLE (Div 1: 3-y-o maidens: £1,277; 1 1/2m) (13 runners)
3.01 CROWLAND HURDLE (Div 1: 3-y-o maidens: £1,277; 1 1/2m) (13 runners)
4.01 CROWLAND HURDLE (Div 1: 3-y-o maidens: £1,277; 1 1/2m) (13 runners)
5.01 CROWLAND HURDLE (Div 1: 3-y-o maidens: £1,277; 1 1/2m) (13 runners)
6.01 CROWLAND HURDLE (Div 1: 3-y-o maidens: £1,277; 1 1/2m) (13 runners)
7.01 CROWLAND HURDLE (Div 1: 3-y-o maidens: £1,277; 1 1/2m) (13 runners)
8.01 CROWLAND HURDLE (Div 1: 3-y-o maidens: £1,277; 1 1/2m) (13 runners)
9.01 CROWLAND HURDLE (Div 1: 3-y-o maidens: £1,277; 1 1/2m) (13 runners)
10.01 CROWLAND HURDLE (Div 1: 3-y-o maidens: £1,277; 1 1/2m) (13 runners)
11.01 CROWLAND HURDLE (Div 1: 3-y-o maidens: £1,277; 1 1/2m) (13 runners)
12.01 CROWLAND HURDLE (Div 1: 3-y-o maidens: £1,277; 1 1/2m) (13 runners)

5.00 CITY BOWL HANDICAP (£2,442; 1 1/4m) (13 runners)
1.01 CANO (C. Smith) 8-11
2.01 CANO (C. Smith) 8-11
3.01 CANO (C. Smith) 8-11
4.01 CANO (C. Smith) 8-11
5.01 CANO (C. Smith) 8-11
6.01 CANO (C. Smith) 8-11
7.01 CANO (C. Smith) 8-11
8.01 CANO (C. Smith) 8-11
9.01 CANO (C. Smith) 8-11
10.01 CANO (C. Smith) 8-11
11.01 CANO (C. Smith) 8-11
12.01 CANO (C. Smith) 8-11

5.30 LONG SUTTON CHASE (Div 1: 3-y-o maidens: £1,277; 1 1/2m) (13 runners)
1.01 CANO (C. Smith) 8-11
2.01 CANO (C. Smith) 8-11
3.01 CANO (C. Smith) 8-11
4.01 CANO (C. Smith) 8-11
5.01 CANO (C. Smith) 8-11
6.01 CANO (C. Smith) 8-11
7.01 CANO (C. Smith) 8-11
8.01 CANO (C. Smith) 8-11
9.01 CANO (C. Smith) 8-11
10.01 CANO (C. Smith) 8-11
11.01 CANO (C. Smith) 8-11
12.01 CANO (C. Smith) 8-11

6.00 HUNTINGDON NH
1.01 CROWLAND HURDLE (Div 1: 3-y-o maidens: £1,277; 1 1/2m) (13 runners)
2.01 CROWLAND HURDLE (Div 1: 3-y-o maidens: £1,277; 1 1/2m) (13 runners)
3.01 CROWLAND HURDLE (Div 1: 3-y-o maidens: £1,277; 1 1/2m) (13 runners)
4.01 CROWLAND HURDLE (Div 1: 3-y-o maidens: £1,277; 1 1/2m) (13 runners)
5.01 CROWLAND HURDLE (Div 1: 3-y-o maidens: £1,277; 1 1/2m) (13 runners)
6.01 CROWLAND HURDLE (Div 1: 3-y-o maidens: £1,277; 1 1/2m) (13 runners)
7.01 CROWLAND HURDLE (Div 1: 3-y-o maidens: £1,27

Magri the falling angel, trailing cotton-wool clouds

By Srikumar Sen
Boxing Correspondent

A question mark as big as a Mexican hat hangs over the career of Charlie Magri, Britain's European flyweight champion. His defeat in the ninth round of his bout with Jose Torres at Tucson, leaves me in no doubt about Magri's inability to take a punch and with some concern for his well-being should he find himself in the ring with some other Mexican with a whiplash punch.

Admittedly any blow well placed on the point of the chin will flatten most men but the blow that put Magri's future in danger was a classic knock-out blow. It landed full on the right side of the head and rather high. Down he went.

Nor is Torres a hard puncher. Which must have been more than a little disturbing for friends and followers and British Boxing Board of Control officials alike.

Particularly alarming was how much Magri's boxing has fallen off. He seems perpetually to be fighting his way through a huge cloud of cotton-wool. At this level he does not seem to be able to control a bout and more often than not finds himself being bullied against the ropes.

As after every contest the board will be looking at Magri's performance together with those of others who took part in Tuesday's show at Wembley Arena. Since the boxer's welfare comes first with the board, I am sure they will think hard about Magri's future.

Magri and his manager, Terry Lawless, are also pondering the matter. In the meantime Magri must automatically have a enforced 21 days rest from boxing. After that, as is customary, he will be given a complete neurological check.

I hope that after that period he will not feel inclined to defend his European title against Enrique Cui, of Spain, whom he stopped in one round in 1981. He may have to go abroad for that, as not many people would pay to see another one-round contest in London. Boxing in Spain will do his confidence no good. Besides, if he wins he may feel like climbing back up the world rankings. From fourth he will either fall to the bottom of the top 10 or fade out of the picture. That will do him no good, either.

Tony Sibson is to take three months rest after his successful European middleweight title defence against Jacques Chénou, of France. Sibson has a suspected broken metacarpal in his



Magri: Rest and checkup

right hand and his arm is in plaster. He was not impressive but in view of his damaged hand he could be excused.

He is likely to be back in action in September against the tough Syrian, Mustapha Hamsho. Sam Burns, Sibson's manager, said: "When Mickey Duff suggested a fight with Hamsho I took it with both hands. Sibson cannot get to Hagler until the end of the year and if he cannot beat Hamsho he should not be fighting Hagler, anyway."

Rudi Koppmans' defence of the European light-heavyweight title against Cristiano Cavina has been postponed for a second time. The Dutchman will meet the Italian in Montecatini Terme, near Florence, on June 2.

Hearns injury delays challenge

The world middleweight title fight between the champion, Marvin Hagler, and Thomas Hearns will be postponed from May 24 because of an injury to Hearns' finger. Emanuel Steward, Hearns' manager and trainer, said he believes July 15 is the date for which the bout could be rescheduled.

Hearns, a volunteer auxiliary police officer, injured the finger about 10 days ago when he fell after training at the Detroit police department gymnasium. The former World Boxing Association welterweight champion sustained a fracture of the middle finger but the finger apparently became infected, Steward said. Hearns was due to meet Hagler in Windsor, Ontario. — AP.

RUGBY UNION

Wakefield, the cocks of the north, are crowing

By David Hands

The decision of the Rugby Union to shelve plans for a projected national league system for at least five years may give a somewhat enhanced emphasis to the final regional merit tables. Voting by member clubs in the RU questionnaire on the subject showed a slim majority — 355 against 345 — against leagues although it is possible that some senior clubs may have been chomping on this particular bone of contention.

Meanwhile Wakefield have cause to crow over their jump from twelfth place in the Northern merit table to the head. Last year Gosforth led the north with a 100 per cent record; this year they give Wakefield a lead of 100 per cent. Wakefield, who made it something of a local double by beating Sheffield in the final of the Yorkshire Cup.

Wakefield's success — their only triumph against the only team to have won the Yorkshire Cup — is the culmination of a reorganisation of their playing strength over the last five years and it is a comforting thought that only three of their leading players are over 28. Robin Foster, their secretary, attributes their fine season to an outlook which is almost South Wales. "All the children in whatever school round here play with an oval-shaped ball, whether they are directed towards Rugby Union or Rugby League," he said yesterday.

Some of those maturing youngsters helped Yorkshire to a surprise win over Lancashire — ultimately the county champions — this season and one of them, the wing Harrison, received a final England trial. Harrison and the other wing testimony to the fluid style of play cultivated by Wakefield and their panel of coaches, headed by a deputy headmaster at the Silcoates School, Mike Elford, who is to coach the senior Yorkshire side next season in succession to Alan Old.

Not that all is sweetness and light in Yorkshire circles. The Northern major clubs are still waiting for the RU's reply to a letter expressing some concern that the only Yorkshire club to be selected for the new Senior

Clubs Association was Headingley, whose playing record this season, and for several seasons past, does not compare too favourably with those of clubs such as Wakefield or Roundhay.

Giving point to the argument is the position of Headingley occupy in the Northern merit table proper, to which they were promoted only this season. Lying second from bottom, they have returned to the qualifying table.

Further north, London Irish jumped from seventh to first in the London merit table but in the Midlands and the South-West the same teams, Leicester and Bristol, have yet to be dislodged.

Final tables

LONDON DIVISION										
	P	W	D	L	F	A	%			
London Irish	6	7	0	0	115	55	70.0			
London Welsh	6	4	0	2	118	46	73.0			
London Scottish	6	4	0	2	118	46	69.7			
Worcester	6	4	0	2	118	46	69.7			
Worcester	6	4	0	2	118	46	69.7			
Worcester	6	4	0	2	118	46	69.7			
Worcester	6	4	0	2	118	46	69.7			
Worcester	6	4	0	2	118	46	69.7			
Worcester	6	4	0	2	118	46	69.7			
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Worcester	6	4	0	2	118	46	69.7			

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Final tables

SOUTH-WEST DIVISION										
	P	W	D	L	F	A	%			
Bristol	6	4	0	2	118	46	87.0			
Gloucester	6	4	0	2	118	46	87.0			
Gloucester	6	4	0	2	118	46	87.0			
Gloucester	6	4	0	2	118	46	87.0			
Gloucester	6	4	0	2	118	46	87.0			
Gloucester	6	4	0	2	118	46	87.0			
Gloucester	6	4	0	2	118	46	87.0			
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Death penalty vote on Tuesday

By Anthony Bevins, Political Correspondent

The House of Commons is to be given the opportunity to vote for the return of capital punishment next Tuesday.

It was revealed last night that the Criminal Justice Bill is to be given three days for its report stage, providing the Falklands emergency does not force a rearrangement of parliamentary business, and that capital punishment would be allocated the first full day of debate.

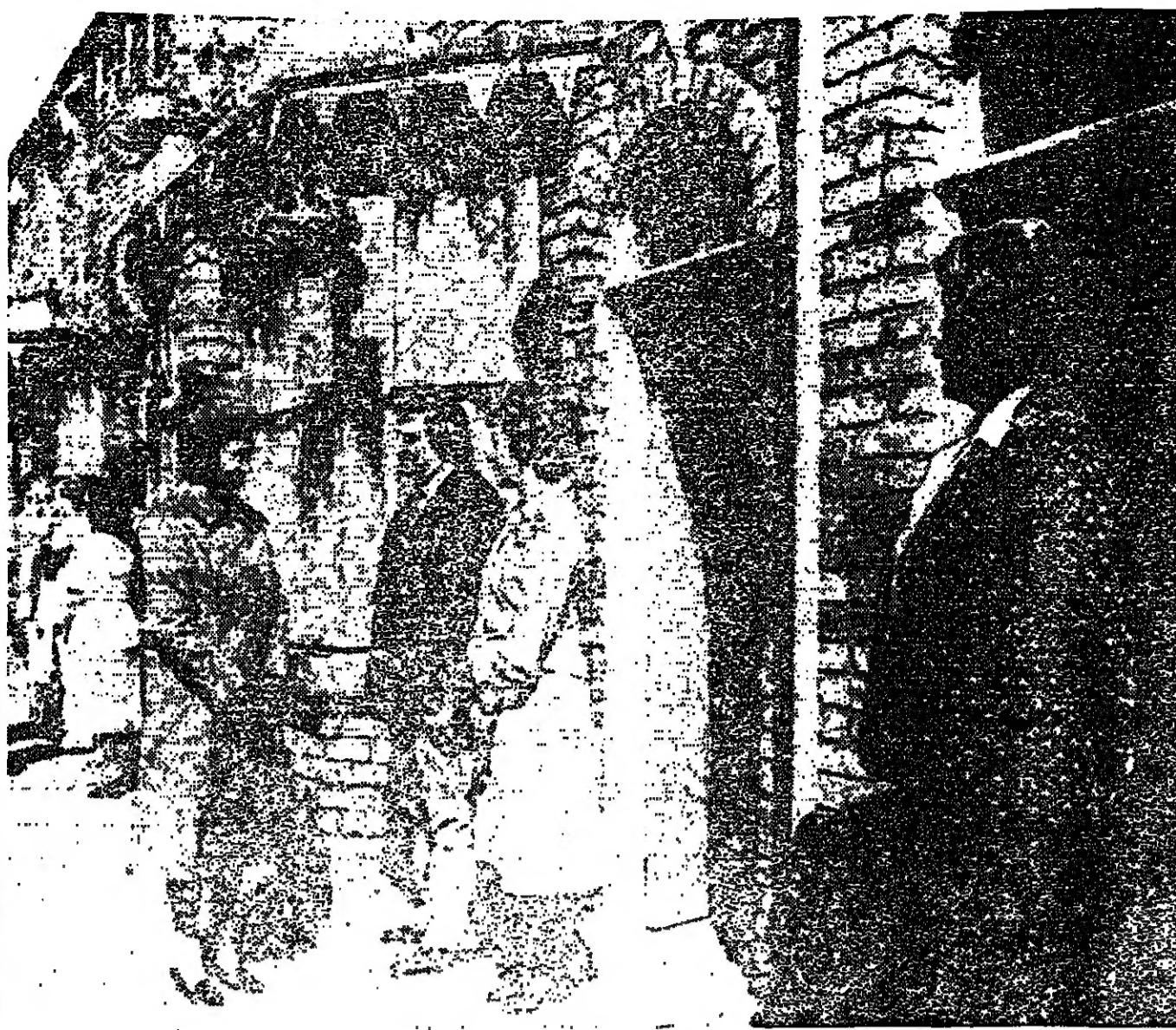
This decision will be announced in the Commons this afternoon.

Mr William Whitelaw, the Home Secretary, has already expressed the hope that Mr George Thomas the Speaker will group the four new clauses containing capital punishment options, with four separate divisions to take place at the end of debate, at 10 pm on Tuesday.

Three original new clauses tabled by Mr Vivian Bland, Ilford, North, and Mr Edward Taylor, Southend, East, propose the death penalty for terrorism involving loss of life, for murder of police and prison officers, and for murder committed in the course of robbery and burglary, involving the use of firearms.

Since then a group of senior Conservative backbenchers have tabled a more general new clause, stating: "A person convicted of murder shall be liable to capital punishment."

The last death penalty vote in July 1979, opposed the punishment by 362 votes to 243.



The Street turns out for the Queen

The new old houses in Coronation Street were decked out in flowers and hunting yesterday for a visit by the Queen and Duke of Edinburgh. Behind the colourful exterior, however, was a homely concern for Prince Andrew, serving as a helicopter pilot with the Falklands task force.

On all sides the Queen was asked about her son and she told Mr Hugh Lee, the Lord Mayor of Manchester: "It is a very anxious time for us all."

During their visit to the newly-built television set for the Street, the Queen and Prince Philip met the cast's regulars as, above, are seen chatting to Len and Rita Fairclough (Peter Adamson and Barbara Knox) while Elsie Tanner (Pat Phoenix) looks on.

The new location for the long running TV series in a former railway yard near the

Granada TV centre in Manchester. It was completed only a week ago to replace the former outside set a short distance away which was not regarded as authentic enough. The Queen is reported to be a regular watcher of the series.

Bishops condemn Polish police

From Roger Boyes, Warsaw, May 5

The Polish Roman Catholic Church today strongly criticized the Government's handling of Monday's violent demonstrations in the country and made it clear that it expected substantial concessions before a lasting national agreement could be found.

"The state will be able to fulfil its task only when it enjoys public support — only then will the common building of a jointly drafted programme be able to get under way," the country's bishops declared in a statement issued today.

However, the church leadership showed that it was at least ready to maintain a semblance of a dialogue with the martial law authorities and pressed on with a scheduled meeting of the joint consultative government-church council. Church sources said that the meeting was unusually short and to the point. This was reflected in the conciseness of the communiqué which said little more than that both sides had "expressed their concern about the social situation in Poland."

Church sources say that senior clergy have been complaining bitterly about police behaviour on Monday, both towards their parishioners and towards church buildings. Zomo riot police threw tear gas canisters into at least two churches to force out demonstrators claiming sanctuary.

The bishops praised last week's concession made by the Government in terms of easing martial law.

Frank Johnson in the Commons

Decency and restraint overcomes the House

A decent restraint was observed by most of the commons when, as he promised, when breaking the news to the House late the night before, Mr Nott rose to make a fuller statement about the last hours of HMS Sheffield.

Decent restraint has not come easily to some Members these last few weeks. Some have had difficulty being decent. Others have had difficulty being restrained. Mr Ian Mikardo, the perennial Labour left-winger, for example, is one of those who have not been up to either. During Mr Nott's appearance the night before, some of us had sat in the gallery repelled as he had triumphantly asked the Secretary of State for Defence whether, after the loss of the Sheffield, the Minister "is still inviting us to rejoice, rejoice." He was quoting from Mrs Thatcher's reaction to the blackless retaking of South Georgia. Stuff so vile and crude boded ill for yesterday's exchanges as Chamber and galleries began to fill. Mercifully we heard no more of it. No doubt it will be heard again in due course, but yesterday's darkest enemies.

Mr Nott had little to add. He named the dead Harrier pilot. He put the number of missing at 30. Next of kin were being informed. He said that the thoughts of the whole House were with them. Mrs Thatcher, seated next to him, was as pale as she had been when she sat in the same place, alongside the same Minister, at 11.00 clock, previous evening. Sometimes her gaze was lowered. Sometimes it scanned the Labour benches, looking with horror for some lurking Mikardo.

Twenty-four hours before this appearance in the Chamber, yesterday, 24 hours almost to the minute, Mrs Thatcher had made a fateful remark to Mr Foot. He had contrived to suggest that the sinking of the General Belgrano had put British lives at risk, as if that risk were not already inherent in the very sending of the task force which he had supported. She had told him that she had "lived hourly" with the worry that the Argentine "might get through". That was the way British lives would be put at risk. Her wording gave a suggestion that she believed it a danger, not something really likely. But now that hour had come, and here

she was sitting on the front bench again, looking as if she was in a dream and perhaps wishing that she was. Mr Alan Clark, a Tory who represents the constituency of Plymouth, Sutton, asked Mr Nott to assure that, wherever possible next of kin would hear of the events before the news was released. And would it not be preferable for an officer to visit the relatives, to ensure that there was no immediate hardship, to explain entitlements? It was curiously right that so mundane a question — with its bleak reference to "entitlements" — and to the proprieties to be observed on these occasions — should have been the first from the back benches, heard while the House was so tense and silent. It was fittingly depicted a world of misery inescapable from the military venture to which the House rightly gave its near-united support when the task force set sail.

Mr Pym, the Foreign Secretary, made a statement about the diplomatic aftermath. He was rather more interested in the United Nations than he had been a few days ago. By the time Mr Pym sat down, the impression was that the men of peace and negotiation were soon going to have their advice put to the test.

Mr Healey, the shadow Foreign Secretary, rose. He has been a party politician nearly all his adult life. He knows no other trade. He has continued to practise it over this last month. But he is also a man who can tell when an occasion is inappropriate to his professional skills.

Associating the Labour Opposition with the tributes paid to the lost British servicemen, he said that they "gave their lives in the defence of the principle which is regarded as of great importance by all members of the House."

There was a cheer at this, but rather more from Tories than from Mr Healey's own party. Admittedly, the shadow Foreign Secretary wandered off into a question to Mr Nott about the relative positions of the Belgrano and the British task force, a question designed to point out a point which Mr Healey had tried to score off Mr Nott the previous day. Mr Healey, being mortal, was not perfect, even on this day.

How HMS Sheffield was hit

By Hugh Noyes, Parliamentary Correspondent

Continued from page 1

aircraft, although this was not certain. That was possibly the reason why the attack was with Exocet missiles. The Sheffield was armed with Sea Dart missiles of the latest kind. These were an air defence weapon and were not very successful against incoming missiles of a particular kind. It was not known why the Sea Dart system did not successfully engage the aircraft but it was possible that it came in very low, under radar cover. Mr Nott also named the

pilot of the Sea Harrier lost in the attack on the aircraft at Port Stanley as Lieutenant Nicholas Taylor.

Mr Denis Healey, Opposition spokesman on foreign affairs, was cheered by MPs on both sides of the Commons when, in paying tribute to the courage of the Harrier pilot and the crew of the Sheffield, he said they had given their lives in the defence of a principle that was regarded as of great importance by all members of the House.

A Ministry of Defence spokesman said last night that they were aware of but would not confirm reports that the main Argentine fleet was outside the 200 mile Military Exclusion Zone and heading back towards Argentina, but that two Argentine submarines remained inside the zone.

There was no further news of either the casualties or the survivors of HMS Sheffield and little enough of the ship itself except that she was still afloat.

Britain favours Peruvian initiative

Continued from page 1

The main attraction for the British of the Peruvian proposals is that they contain the elements of a three-point package which would be acceptable to Britain. These are: the mechanics for a withdrawal of Argentinean forces from the islands; the establishment of an interim administration on the islands; and negotiations for a long-term solution without prejudging the sovereignty question.

Another attraction of Peruvian involvement in finding a

diplomatic solution is the warm relations which exist between Lima and Buenos Aires. This could mean that a solution put forward by Peru would be more palatable to the Argentines than one proposed by the Americans who are now openly siding with the British.

The British regard Mr Haig's role in any settlement effort as being absolutely essential. "We favour the Peruvian initiative because they are working very closely with Mr Haig," one British diplomat said today.

But Argentine sources say Mr Haig is regarded in

Buenos Aires as totally discredited since the United States sided with Britain. However, they say Argentina is beginning to have second thoughts about President Belaunde Terry's peace initiative.

Fans mourn

Portsmouth and Exeter City fans stood in silence for one minute before their Third Division football match, in tribute to the sailors who died aboard HMS Sheffield, which was based in Portsmouth.

THE TIMES INFORMATION SERVICE

Today's events

Royal engagements

The Duke of Edinburgh attends Game Conservation International Convention, Churchill Hotel, Portman Square, W1, 9.15; as Admiral of the Royal Naval Sailing Association, presents prizes for Whitbread Round the World Race, Porten Room, Whitbread Brewery, Chiswell Street, EC1, 5.30; later as Senior Fellow, Fellowship of Engineering, Apothecaries Hall, Black Friars Lane, EC4, 7.45.

Queen Elizabeth the Queen Mother visits exhibitions mark-

ing centenary of Royal Cambrian Academy of Art at Conway and Llandudno, N Wales, 12.30.

Princess Margaret visits Becton Dickinson factory, Plymouth, 10.45.

The Duke of Gloucester opens Chester-le-Street Civic Centre, Durham, 11.40; opens Royal Mail House, Darlington, 3.

The Duchess of Gloucester attends London Suzuki City School Appeal Concert, St James's Palace, 7.25.

Exhibitions in progress

Watercolours, oil paintings and sculpture by the artists of the Hatfield Road Group, City Museum and Art Gallery, Bethesda Street, Hanley, Stoke-on-

Trent, Mon to Sat 10.30 to 5, Wed 10.30 to 8 until May 15).

Leaves Never Grow on Trees, four prints from Max Ernst's *Histoire Naturelle*, Billingham Art Gallery, Mon to Sat 10 to 5.30 (until May 22).

Late Slicker paintings, Wolverhampton Art Gallery, Lichfield Street, Wolverhampton; Mon to Sat 10 to 6 until May 23.

Stamps, covers and photographs depicting sailing ships of the world, Maritime Museum, The Quay, Exeter; daily 10 to 5 until December 31).

Concert, Judie Tzuke, Colston Hall, Colston Street, Bristol, 7.30.

Objects Human Scale: contemporary Australian jewelry and ceramics, City Art Centre, 2 Market Street, Edinburgh; Mon to Sat 10 to 5 until May 15).

Replica Crown Jewels, Chapter House, Guildford Cathedral, Mon to Sat 10 to 4.30, Sun 1 to 5; late opening Wed 6.45 to 8.30 (until June 29).

Paintings by Helen Wilks and uelages pieces by Sam Herman, Bridge Street Gallery, 7a Bridge Street, Bath; Mon to Sat 10 to 5.30 (until May 29).

Stalk by Russ Seldon, Falmouth Art Gallery, The Moor, Falmouth; Mon to Fri 10 to 1 and 2 to 4.30 (until May 21).

Images of Reality: photographs tracing the background of the Blackfoot Nation, Captain Cook Birthplace Museum, Stewart Park, Marion, Middleborough; 10 to 6 daily (until June 11).

Talks, lectures

Why does the horn point backward? Lectorial in aid of Bourne-mouth Orchestra Appeal Fund, by Christopher Martin and James Crump, Arts Centre, Weymouth, 7.30.

The Revolutionary Requirement of Christianity Today, by Lord Soper, Great Hall, Magee University College, Londonderry, N Ireland, 8.

Music

Concert by London Mozart Players, Colston Hall, Colston Street, Bristol, 7.30.

Recital by Deborah Dales (soprano) and Diana Stewart (cello), United Reform Church, Hallgate, Doncaster, 7.30.

Sporting fixtures

Cricket: Full county championship programme (11.0), page 23.

Racing: Flat meetings at Salisbury (1.30) and Chester (2.15); NH at Huntingdon (2.30).

Rugby League: Second division, Hunslet v Oldham (7.0).

Golf: WPGA tournament, Woburn; Northern Open, at Cruden Bay, Aberdeenshire.

Snooker: World championship, Sheffield (11.0, 3.15 and 7.30).

Speedway: England v United States, Ipswich (7.30).

Parliament today

Commons (2.30): Debate on economic and employment prospects in Wales.

Lords (3): Epsom and Walton Downs Regulations Bill, second reading.

Administration of Justice Bill, report, second day. Debate on state aid to agriculture.

Solution of Puzzle No 15,823

1 Across: 1. Holder of catch in Test, perhaps, at close of play (7,3).

2 Time one's to meet the beautiful women (6).

3 Established church in French region (8).

4 Laurel held by Bones completing this in the race (8).

5 She sounds rather like a complaining sort (4).

6 A slight better with these — e.g. without the old girls (10).

7 Driving too low, but scoring, perhaps (7).

8 — of fishy form and mind" (Brooke) (7).

9 Etire un haricot veri (6,4).

10 Ended some courtship — a strange one? (4).

11 Hull of a rough chap, it appears to us (8).

12 What an idiot to be caught in eight furlongs (8).

13 Improves when midday comes? (6).

14 Showing tense batting by grim opener (10).

15 Down

1 Spanish course in banking — dry (6).

2 Article in advert rewritten by the old poet (8).

New books — fiction

This is a personal selection of important, interesting, noteworthy, or enigmatic novels just published, arranged alphabetically rather than in any order of merit or price.

A Chain of Voices, by Andre Brink (Faber, £7.95)

A Standard of Behaviour, by William Trevor (Abacus, £1.95)

Gentlemen Prefer Blondes, by Anita Loos (Picador, £2.95)

Headlights, or The Germans are Dying Out, by Gunter Grass (Secker & Warburg, £6.95)

Ladyships, by Jane Gillespie (Hale, £7.25)

Midsummer Night Madness, by Sean O'Faolain (Penguin, £2.95)

Of Moral Love, by William Gerhardie (Penguin, £2.95)

Return, by Edna O'Brien (Weidenfeld & Nicolson, £5.50)

Thanksgiving, by Terry Coleman (Hutchinson, £7.95)

The House of Cards, by Leon Garfield (The Bodley Head, £7.50)

The Internal Desire Machines of Doctor Hoffman, by Angela Carter (King Penguin, £2.25)

The Voyage of the Destiny, by Robert Nye (Hamish Hamilton, £5.50) PH

National Stamp Day

This week is National Stamp Collecting Week, and today is National Stamp Day, marking the anniversary of the first issue in 1840 of the Penny Black, the world's first adhesive postage stamp.

The Covent Garden Stamp Festival, in Covent Garden, includes philatelic displays and a dealers fair.

An exhibition of stamps designed by Edmund Dulac opens today at the National Postal Museum, King Edward Street, EC1 (Mon to Thurs 10 to 4.30, Fri 10 to 4, until May 28).

Anniversaries

Births: Maximilian Robespierre, Arras, 1758; Sigmund Freud, Freiberg, Czechoslovakia, 1856; Rudolph Valentino, Castellaneta, Italy, 1895. Deaths: Alexander von Humboldt, German scientist and explorer, Berlin, 1859; Henry David Thoreau, Concord, Mass., 1862; Paul Gauguin, Tahiti, 1903; Edward VII, London, 1910; Lord Frederick Cavendish and Thomas Burke were murdered by Irish nationalists, in Phoenix Park, Dublin, 1882.

BBC booklet

The revised BBC facts and figures 1982 booklet, giving information about the television service to take account of the licence fee increase and explaining how the money is spent, can be obtained from Information Services — Television, Television Centre, Wood Lane, London W12 7RJ (enclose s.a.e.).

The pound

	Bank	Bank	Bank
	Rate	Rate	Rate
Australia \$	1.76	1.68	
Belgium Fr	31.00	29.50	
Canada \$	83.50	83.50	
Denmark Kr	2.26	2.17	
Ireland Pt	1.25	1.20	
France Fr	11.32	10.72	
Germany Dm	4.36	4.11	
Greece Dr	116.00	109.00	
Hong Kong \$	10.75	10.15	
Italy Lira	2375.00	2275.00	
Japan Yen	448.00	422.00	
Netherlands Gld	4.53	4.27	
Belgium Sfr	3.46	3.44	
Portugal Esc	131.50	124.50	
Spain Ptas	168.25	179.25	
Sweden Kr	10.86	10.78	
Switzerland Fr	3.46	3.44	
USA \$	1.85	1.78	
Yugoslavia Dnr	98.00	92.00	

London: The FT Index closed down 8.8 at 575.4.

The papers

Calling for an immediate ceasefire and suggesting a United Nations trusteeship in the Falklands, the Daily Mirror says: "Too many brave men have already died... in the wake of death, peace should be given a real chance."

The government must pursue discussions leading to a ceasefire, but not at the price of a self-out, says the Morning Telegraph, Sheffield, which would be a "shameful betrayal" of sailors who have already died.

Le Monde said yesterday that Mrs Thatcher, "in defence of principles gives way neither to a sense of proportion nor to the necessary balance between force and diplomacy."

The Frankfurter Rundschau feels "the aggressive form of British 'self defence' recalls the days of Empire", while the Kölner Stadtanzeiger calls on the Allies to oppose "this dangerously escalating British operation."

The Washington Post called on Britain and Argentina to stop the shooting and resume negotiations, saying casualties should not be allowed to inflame passions and obscure the possibility of further mediation.

Roads

London and South-east: Roadworks in Richmond town centre, congestion, new Severn Bridge. Midlands: A625: Closed at Marnes Road, Leamington. M5: Lane closures between junctions 7 and 8 (Roses-on-Wye). M1: Only band closed open southbound between junction 26 (Nottingham) and Trowell service area. North: A59/A629: Roadworks at Skipton, N Yorkshire. A1/A163: Lane closures on Caterick by-pass, N Yorkshire. A692: Delays likely on Heighington by-pass, Co Durham.

Scotland: M8: Lane closures near junction 5, A77: Temporary signals N of Cairnryan, A1: Only one lane in use with temporary signals E of Haddington, E Lothian.

Information supplied by the AA.

Weather forecast

The cold showery air stream will persist.

6 am to midnight

London, SE, cent S, E England, East Anglia, E Midlands, Channel Islands: Becoming rather cloudy with showers of longer outbreaks of rain but clearer and drier later, winds variable becoming mainly W, light. Max temp 9 to 11C (48 to 52F), frost early.

W Midlands, cent N, NE England, Borders, Edinburgh and Dundee: Rather cloudy with some showers, sunny or clear periods developing, becoming mostly dry; winds backing slowly SW, moderate becoming light; max temp 8 to 10C (46 to 50F), frost in places early.

SW, NW England, Wales, Lake District: Sunny or clear intervals, scattered showers; winds NW backing W, moderate; max temp 9 to 10C (48 to 50F), frost in sheltered parts early.

North, NW, NW England, Glasgow, Argyll, N Wales: Sunny of clear intervals, scattered showers; winds backing SW, mainly light; max temp 7 to 8C (45 to 46F), frost at first in places early.

Aberdeen, cent Highlands, Moray Firth, NE Scotland, Orkney, Shetland: Windy showers, sunny or clearer intervals; winds NW to W, moderate; max temp 5 to 7C (41 to 46F), frost in places early.

Outlook for tomorrow and Sunday: Mostly dry with sunny intervals but occasional rain in the N. Temperatures near normal with perhaps night frost in places.

SEA PASSAGES: S North Sea, Straits of Dover: Wind variable, becoming NW, light or moderate, sea smooth or slight. English Channel (E): Wind NW moderate or fresh, sea slight or moderate.

Georges Bank: Wind variable, becoming NW, light or moderate, sea smooth or slight. English Channel (E): Wind NW moderate or fresh, sea slight or moderate.

Lighting-up time

London 8.01 pm to 4.52 am

Edinburgh 9.17 pm to 4.47 am

Manchester 9.17 pm to 4.47 am

Newcastle 9.17 pm to 4.47 am

Sheffield 9.17 pm to 4.47 am

Southampton 9.17 pm to 4.47 am

Weymouth 9.17 pm to 4.47 am

Yarmouth 9.17 pm to 4.47 am

Cardiff 9.17 pm to 4.47 am

Belfast 9.17 pm to 4.47 am

Gloucester 9.17 pm to 4.47 am

Leamington 9.17 pm to 4.47 am

Leeds 9.17 pm to 4.47 am

Liverpool 9.17 pm to 4.47 am

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